

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATION BILL, 1997

JULY 8, 1996.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. PORTER, from the Committee on Appropriations,
submitted the following

REPORT

together with

ADDITIONAL AND DISSENTING VIEWS

[To accompany H.R. 3755]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Departments of Labor, Health and Human Services (except the Food and Drug Administration, Indian Health Service, and the Office of Consumer Affairs), and Education (except Indian Education), Armed Forces Retirement Home, Corporation for National and Community Service, Corporation for Public Broadcasting, Federal Mediation and Conciliation Service, Federal Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, National Council on Disability, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Physician Payment Review Commission, Prospective Payment Assessment Commission, Railroad Retirement Board, the Social Security Administration, and the United States Institute of Peace for the fiscal year ending September 30, 1997, and for other purposes.

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SUMMARY OF ESTIMATES AND APPROPRIATIONS

The following table compares on a summary basis the appropriation including trust funds for fiscal year 1996, the budget estimate for fiscal year 1997, and the Committee recommendations for fiscal year 1997 in the accompanying bill.

1997 LABOR, HHS, EDUCATION APPROPRIATIONS BILL

[In millions of dollars]

	Fiscal year—			1997 committee compared to—	
	1996 comparable	1997 budget	1997 committee	1996 comparable	1997 budget
Department of Labor	\$11,345	\$12,721	\$11,344	— 1	— \$1,377
Department of Health and Human Services:					
Public Health Service:					
Health Resources and Services Administration	3,257	3,293	3,260	+3	— 33
Centers for Disease Control	2,112	2,239	2,187	+75	— 52
National Institutes of Health	11,928	12,377	12,747	+819	+370
Substance Abuse and Mental Health Services Administration	1,883	2,098	1,849	— 34	— 249
Retirement Pay and Medical Benefits for Commissioned Officers	167	176	176	.....	.....
Health Care Policy and Research	125	144	125	+0	— 19
Subtotal, Public Health Service	19,472	20,327	20,344	+872	+17
Health Care Financing Administration	146,687	165,328	164,858	+18,171	— 470
Administration for Children and Families	32,367	36,328	34,421	+2,054	— 1,907
Administration on Aging	829	828	811	— 18	— 17
Office of the Secretary	222	219	203	— 19	— 16
Total, HHS current year	199,577	223,030	220,637	+21,060	— 2,393
Advances	30,955	34,800	33,800	+2,845	— 1,000
Department of Education	25,230	28,034	25,231	+1	— 2,803
Related Agencies	35,468	38,198	37,158	+1,690	— 1,040
Social Security Administration	34,399	37,070	36,125	+1,726	— 945
Grand Total, current year	271,620	301,983	294,370	+22,750	— 7,613
Advances	40,635	44,925	43,900	+3,265	— 1,025
Current year total using 602(b) scorekeeping	264,191	293,570	285,611	+21,420	— 7,959
Mandatory	200,943	220,068	219,950	+19,007	— 118
Discretionary	63,248	73,502	65,661	+2,413	— 7,841

DISCRETIONARY

[In millions of dollars]

	Fiscal year—			1997 committee compared to—	
	1996 comparable	1997 budget	1997 committee	1996 comparable	1997 budget
Department of Labor	\$9,419	\$10,802	\$9,425	+\$6	— \$1,377
Department of Health and Human Services	28,881	31,233	29,837	+956	— 1,396
Department of Education	21,512	26,820	22,757	+1,245	— 4,063
Related Agencies	3,860	4,647	3,910	+50	— 737
Scorekeeping Adjustments	— 424	0	— 269	+155	— 269
Total discretionary	63,248	73,502	65,661	+2,413	— 7,841

TOTAL APPROPRIATIONS FOR LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION PROGRAMS

In addition to the amount included in the bill, very large sums are automatically appropriated each year for labor, health and human services, social security and education programs without consideration by the Congress during the annual appropriation process. The principal items in this category are the unemployment compensation, social security, Medicare, and railroad retirement funds, federal payments for interest subsidy, default and servicing costs for the Federal Family Assistance Loan program and full cost of loans made under the Direct Student Loan Program. The detailed estimates for the trust fund and permanent appropriations are reflected in the table appearing at the back of this report, a summary of which is included in the following table:

TOTAL INCLUDING PERMANENT APPROPRIATIONS AND TRUST FUNDS

[In millions of dollars]

	Fiscal year—		
	1996	1997	Change
Annual appropriation bill, current year	\$271,620	\$294,370	+\$22,750
Annual appropriation bill, advances	40,635	43,900	+3,265
Permanent appropriations	606,780	644,392	+37,612
Deduct interfund payments	— 79,931	— 79,194	+737
Total	839,104	903,468	+64,364

HIGHLIGHTS OF THE BILL

In reaching the overall ceiling of \$287,931,000,000 in budget authority and \$291,835,000,000 in outlays, and the discretionary ceiling of \$65,661,000,000 in budget authority and \$69,480,000,000 in outlays, for activities under the jurisdiction of the Subcommittee on the Departments of Labor, Health and Human Services and Labor and Related Agencies, the Committee reviewed programs and made clear priority decisions. These decisions were made appreciably more difficult due to the general lack of reliable data as to the effectiveness of programs. Throughout the bill, the Committee has decided to restrain the growth or eliminate programs which cannot demonstrate their effectiveness. Consistent with the intent of the Chief Financial Officer's Act, the Government Performance and Re-

sults Act, and the Administration's many management initiatives, the Committee remains committed to supporting those programs that are effective and paring back or eliminating those that are not.

The Committee has provided increases for programs such as the Job Corps; block grants such as Preventive Health, Maternal and Child Health, Social Services, Community Services and Child Care and Development; health prevention activities within the Centers for Disease Control and Prevention; Ryan White AIDS funding; health research and training within the National Institutes of Health; health professions training, and broad based support for innovation in education. The maximum Pell Grant is increased by \$30 to \$2,500, the highest in history and TRIO is increased by \$37 million. Work-study programs are increased 10% to \$685,000,000.

The bill also continues the Committee's efforts to support reform and budget restraint by terminating the funding for 39 programs with a total fiscal year 1996 funding of \$1 billion.

Bill Total.—The bill appropriates \$285,611 million in budget authority for the departments of Labor, Health and Human Services and Education and Related Agencies and is within the Subcommittee's 602(b) allocation.

Mandatory programs.—The bill provides \$219,949 million for entitlement programs in fiscal year 1997. 77% of the funding in the bill is for these mandatory costs. Between fiscal year 1996 and 1997 entitlement spending increased by \$19 billion while the Committee was reducing discretionary accounts by \$4.4 billion from fiscal year 1995 levels. Funding requirements for these activities are determined by the basic authorizing laws. Mandatory programs include general fund support for the Medicare and Medicaid programs, Aid to Families with Dependent Children, Supplemental Security Income, Black Lung payments, and the Social Services Block Grant. The following chart indicates the funding levels for the major mandatory programs in fiscal years 1996 and 1997 and the growth in these programs.

(Dollars in thousands)

Program	Fiscal year—			Percent
	1996	1997	+/- 1996	
Department of Labor:				
Black Lung Disability Trust Fund	\$996,606	\$1,007,644	\$11,038	1
Department of Health and Human Services				
Health Care Financing Administration:				
Medicaid current law benefits	91,140,563	98,141,139	7,000,576	8
Medicare Payments to Health Care Trust Funds	63,313,000	60,079,000	(3,234,000)	-5
Administration for Children and Families:				
Aid to Families with Dependent Children	12,999,000	11,713,000	(1,286,000)	-10
Child Support Enforcement	1,068,000	1,225,000	157,000	15
Social Service Block Grant	2,381,000	2,480,000	99,000	4
Department of Education:				
Federal Family Education Loan Program	3,279,000	2,322,000	(957,000)	-29
Federal Direct Student Loan Program	706,000	683,000	(23,000)	-3
Federal Family Education Loan Liquidating Account	303,000	.....	(303,000)	n/a
Related Agencies				
Social Security Administration:				
Special Benefits for Disabled Coal Miners ...	665,396	630,070	(35,326)	-5

(Dollars in thousands)

Program	Fiscal year—			Percent
	1996	1997	+/- 1996	
Supplemental Security Income	25,605,512	28,682,115	3,076,603	12

Discretionary programs are funded at \$65,661 million, an overall freeze level of funding.

Department of Labor.—The bill appropriates \$11,344 million for the Labor Department, a reduction of \$1 million below fiscal year 1996 and \$1,377 million below the amount requested by the President. This funding level includes \$3,992 million in federal funds to carry out the provisions of the Job Training Partnership Act. The Committee recommends an increase in funding for the Job Corps of \$92 million to support the cost of operating new centers. The bill funds summer youth employment, youth and adult training, and dislocated worker assistance at the same level as last year. Funding of \$350 million is provided for school-to-work activities funded in the Departments of Labor and Education.

Occupational Safety and Health Administration.—The Committee recommends funding for OSHA at \$298 million, \$43 million below the request and \$6 million below last year's level. Within OSHA, compliance assistance is funded at last year's level while funding for Federal enforcement is reduced by 3%. This shift is consistent with the policy adopted by the Committee last year. The bill also includes a prohibition against the development or issuance of any proposed or final standard or guideline on the subject of ergonomic protection.

Department of Health and Human Services.—The bill appropriates \$218,067 million which is \$1,396 million below the President's request and \$17,025 million above the fiscal year 1996 level. Funding for discretionary programs of \$29,836 million is \$1,396 million below the President's request and \$956 million above last year's level.

Health Resources and Services Administration.—Funding for HRSA programs is \$3,080 million, \$3 million above last year and \$33 million below the President's request. Within HRSA, the consolidated health centers funding is at \$802 million, an increase of \$44 million, health professions training is funded at \$292 million, an increase of \$34 million, Ryan White AIDS Care Act programs are funded at \$812 million, \$55 million above last year and \$18 million below the President's request.

National Institutes of Health.—The Committee proposes \$12,747 million for biomedical research activities at the National Institutes of Health. This funding level represents an increase of \$371 million over the President's request and \$820 million over last year. This funding level indicates the very high priority that the Committee places on the activities of NIH. The Committee has maintained its policy of resisting disease specific earmarks in the bill, believing that decisions as to appropriate levels of funding and appropriate avenues of research are best left to the scientists. The bill also commits the federal government to the construction of a new clinical center at NIH with an initial funding level of \$90 million.

Centers for Disease Control and Prevention.—Overall funding for CDC is \$2,187 million, \$75 million above last year and \$52 million below the President's request. Increases are provided for high priority activities including the preventive health block grant, AIDS prevention, chronic and environmental disease prevention, polio eradication and breast and cervical cancer screening. Infectious disease programs receive a 32% increase.

Substance Abuse and Mental Health Services Administration.—The bill provides current year funding for the mental health block grant and assures current year funding for the substance abuse block grant. Children's mental health services is level funded

Agency for Health Care Policy and Research.—The bill provides current year funding for the Agency for Health Care Policy and Research.

Medicare and Medicaid.—The bill provides \$102,313 million for Medicaid and \$60,079 million in federal funds for the Government's share of payments to Medicare. Funding of \$1,207 million is provided for Medicare contractor payments. Together with funds appropriated in the Health Coverage Availability and Affordability Act of 1996 (HR 3103) which appropriates approximately \$435 million to the medicare contractor's account for payment safeguards, total funding will be \$1,642 million.

Low Income Home Energy Assistance.—The Committee recommends \$900 million for the Low Income Home Energy Assistance Program for fiscal year 1997. This level is the same as fiscal year 1996 and \$100 million below the President's request. In combination with previously appropriated emergency funds, \$1,320 million will be available for LIHEAP in fiscal year 1997.

Child Care and Development Block Grant.—The Committee recommends \$950 million, an increase of \$15 million over fiscal year 1996.

Social Services Block Grant (title XX).—The bill includes \$2,480 million for title XX, an increase of \$99 million over fiscal year 1996.

Head Start.—The bill includes \$3,600 million for Head Start, \$31 million above last year's level.

Community Services Block Grant.—Consistent with the Committee's policy of giving high priority to broad based block and state grants, the bill provides \$490 million for the community services block grant, an increase of \$100 million over fiscal year 1996.

Violence Against Women.—The bill provides \$61 million for programs authorized under the Violence Against Women Act, \$8 million over the 1996 level.

Funding of abortions.—The bill maintains current law permitting the Federal funding of abortion only in the cases of rape, incest, or endangerment of the life of the mother.

Human Embryo Research.—The bill contains language included in the fiscal year 1996 bill to prohibit the use of funds to create embryos for research purposes and to prohibit use of funds for research in which human embryos are destroyed or discarded.

Department of Education.—The bill funds programmatic and support activities in the Department of Education at \$25,230 million, \$4,062 million below the President's request and \$1,298 million above last year's level. On a comparable basis, discretionary fund-

ing for programs in the Department of Education are funded at \$22,757 million, \$53 million below fiscal year 1996.

Education Reform.—The bill terminates funding for Goals 2000.

Education for the Disadvantaged.—The bill provides level funding for grants to state and local education agencies. The bill also continues the practice of advance funding \$1,298 million for this account that was established in fiscal year 1996.

Impact Aid.—The Committee provides an increase of \$35,000,000 for impact aid. Within this overall increment is an increase for those districts that contain substantial federal property, thus removing it from the local tax rolls.

School Improvement Programs.—The bill funds title VI (Chapter 2) Innovative Education Program Strategies at \$606 million, an increase of \$331 million over fiscal 1996. The bill also provides no funding for the Eisenhower Professional Development program. Title VI, innovative education program strategies-state grants, is a program that provides great flexibility to states and localities and can, at the discretion of the state or locality support activities currently funded under Goals 2000, Eisenhower Professional Development and many of the small programs terminated in the Committee recommendation.

Safe and Drug Free Schools.—Safe and drug free schools is funded at \$441 million, the same level as last year and \$99 million below the President's request. National programs are, however, terminated.

Special Education.—The Committee recommends overall funding for special education programs of \$3,246 million, \$.9 million above last year's level and \$307 million below the President's request.

Vocational and Adult Education.—Vocational education state grants, adult education state grants and tech prep are all funded at the fiscal year 1996 level.

Student Financial Assistance.—The Committee places a high priority on direct assistance to students. The bill includes funding to allow the maximum Pell grant to rise to \$2,500, an increase of \$30. In addition, federal supplemental educational opportunity grants are funded at last year's level and federal work-study grants and TRIO are increased.

Related Agencies.—Funding for the related agencies title of the bill is \$31,237 million. This level is \$2,945 million above last year's funding level and \$815 million below the President's request.

Social Security Administrative Costs.—Funding for the cost of administering the Social Security programs is \$6,309 million, \$445 million over last year and \$272 million below the President's request.

National Labor Relations Board.—Funding for the National Labor Relations Board is \$145 million, \$25 million below last year's level and \$36 million below the President's request. The bill also includes language increasing the minimum size of a business falling under the jurisdiction of the NLRB. Also included is language enacted in the fiscal year 1996 bill prohibiting the promulgation of regulations on single site bargaining.

Corporation for Public Broadcasting.—CPB is an advance funded account with funds already appropriated through FY '98. The bill

funds CPB at \$250 million in FY '99, the same as the FY '98 level and \$25 million below the President's request.

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

The Committee recommends \$4,171,482,000 for this account which provides funding authorized primarily by the Job Training Partnership Act. This is an increase of \$25,204,000 over the fiscal year 1996 level and a reduction of \$908,578,000 from the budget request.

Training and Employment Services is comprised of programs that enhance the employment and earnings of economically disadvantaged and dislocated workers, operated through a decentralized system of skill training and related services. As required by the Job Training Partnership Act, this appropriation is forward-funded on a July to June cycle. Funds provided for fiscal year 1997 will support the program from July 1, 1997 through June 30, 1998.

The account is comprised of two activities—Grants to States and Federally-administered programs. Grants to States give Governors the primary responsibility for the operation of training programs in their States. In partnership with the private sector and all levels of government, training programs attempt to emphasize increasing participant skills and private sector placement.

Separate programs designed to meet the training and employment needs of specific population segments experiencing unique problems account for the bulk of funds provided for Federally-administered programs. These include such programs as Indians and Native Americans, migrant and seasonal farmworkers, veterans in need of training and employment assistance, the Job Corps, and a program to provide improved school-to-work transition for youth.

Adult training—Title II-A

For adult training programs under title II-A of the Act, the bill provides \$850,000,000. This is the same as the fiscal year 1996 level and a reduction of \$97,000,000 from the budget request. This will provide a program level of about 374,000 adult participants. This program is designed to prepare adults for participation in the labor force by increasing their occupational and educational skills, resulting in improved long-term employability, increased employment and earnings, and reduced welfare dependency. It is operated at the local level through service delivery areas designated by the Governors. Each area has a private industry council to provide guidance and oversight with respect to activities under that area's job training plan, in partnership with the unit or units of general local government in the areas. The private industry council includes representatives of the private sector, educational agencies, organized labor, and other groups in the area. All funds are allocated to the States by statutory formula.

Youth training—Title II-C

For youth training programs under title II-C of the Act, the bill provides \$126,672,000. This is the same as the fiscal year 1996 level and the budget request. This will provide a program level of about 76,000 youth participants. This program is intended to improve the long-term employability of youth, enhance their educational, occupational, and citizenship skills, and encourage their school completion. Like adult training, the program is administered by local service delivery areas, as directed by private industry councils. Funds are allocated to the States by statutory formula.

Summer youth employment—Title II-B

The bill includes \$625,000,000 for the summer youth employment and training program for the summer of 1997. This is the same amount appropriated for the summer of 1996. The President had requested \$871,000,000. This will provide an estimated 442,000 summer jobs.

This program offers work experience, supportive services and academic enrichment to economically disadvantaged youth, ages 14 to 21. Participants receive the minimum wage. Funds are allocated to the States by formula based on relative numbers of unemployed and economically disadvantaged individuals.

Dislocated workers—Title III

The bill provides \$1,100,000,000 for dislocated worker programs. This is the same as the fiscal year 1996 level and a reduction of \$193,000,000 from the budget request. An estimated 556,000 participants are expected to be served by this appropriation.

The title III system provides for early identification of dislocated workers, the rapid provision of services to such workers, and job training. Among the program's components are universal rapid response capabilities, early intervention activities, the availability of needs-related payments to assist workers in training, and substate delivery systems. Funds are allocated to the States by statutory formula; 20 percent is retained by the Secretary for discretionary purposes.

The Committee is concerned that the Department has not taken advantage of cost savings and improved services for job search assistance that could be provided by the private outplacement sector through the title III program. The Committee does not believe that this public program should be competing with the private sector and taking business away from private companies, particularly when the private sector can provide the same services at significantly lower cost and more effectively. The Department is strongly urged to undertake programs and efforts in partnership with the outplacement industry to demonstrate how the private sector can serve the needs of those dislocated workers who are not being provided outplacement assistance by their employers, and specifically, to seriously consider a proposal submitted to the Department which would provide the Department and State and local program administrators with specific ways in which private outplacement firms can be utilized as service providers in the title III program. In addition, the Department needs to be able to track the amount of funds spent for outplacement and job search assistance in this pro-

gram, including the amount per participant, and the placement rates for those workers served.

Job Corps—Title IV-B

For the Job Corps, the bill provides \$1,138,685,000 for program year 1997. This is an increase of \$44,743,000 over the fiscal year 1996 level and a reduction of \$14,824,000 from the budget request. The amount in the bill includes \$1,064,824,000, an increase of \$92,349,000 over fiscal year 1996, for center operations to support 68,000 participants at 119 centers. The Committee has provided sufficient funding to maintain the program and allow the opening of four new centers that are currently in the pipeline. No additional new centers beyond the ones in the pipeline were requested by the President or recommended by the Committee. The bill also includes \$73,861,000 for facility construction, rehabilitation, and acquisition, a reduction of \$14,824,000 below the amount requested by the President and a reduction of \$47,606,000 below the fiscal year 1996 amount. The reduction occurs primarily because no further construction funding is required for the new centers approved in prior years. This amount is primarily for repairs and rehabilitation at existing centers. The Committee encourages the Department to relocate centers that are in poor physical condition, particularly in those cases where the physical plant is a major deterrent to the center's performance.

The Department should begin to examine low-cost options for serving more at-risk youth through Job Corps, such as expanding slots at existing high-performing centers or constructing satellite centers in proximity to existing high-performing centers.

The Committee requests the Department to identify emerging occupations that are consistent with Job Corps' population and upgrade the vocational offerings at centers in order to create career opportunities in new and emerging growth industries. The Committee also requests the Department to identify major regional and national employers and establish effective working relationships that will increase students' career opportunities. In order to provide cost-effective services, the Department should establish greater linkage opportunities and interaction with State workforce development systems.

The Committee urges the Department to continue to crack down on poor-performing Job Corps centers. A significant number of centers appears to be at the bottom of the performance rankings year after year. While recognizing that the Department has taken some steps to address this situation, the Committee believes that continued close attention is warranted. If changing the center operator and other management actions do not solve the problems, then the Department should consider closing some of the chronic poor-performers.

The Committee notes again the concerns expressed by the General Accounting Office in its June 1995 report on the program. GAO is concerned about a number of issues, among them the fact that only a little more than a third of students complete their vocational training courses, the validity of job placement data is questionable, students are not remaining long in their initial jobs after placement, and the effectiveness of national vocational training

contractors. The Committee will continue to follow these concerns closely in the coming year and wants the Department to take whatever steps are necessary to improve the program.

School-to-Work

The bill includes \$175,000,000 for the school-to-work opportunities initiative under the School-to-Work Opportunities Act. This is an increase of \$5,000,000 over the fiscal year 1996 appropriation and a reduction of \$25,000,000 from the budget request. This program is designed to provide a national framework within which all States can create statewide systems to help youth acquire the knowledge, skills, abilities, and labor market information they need to make an effective transition from school to work, or to further education or training. It is jointly administered by the Departments of Labor and Education. A like amount is included for the program in the Department of Education. Funds support development grants to States to plan school-to-work systems to ease the transition from school to work and implementation grants provided competitively to States and local consortia to begin building such systems. Activities can include recruiting employers, obtaining in-depth information on local labor markets, designing school-based and work-based curricula, and training school-based and work-based staff.

Native Americans

For Native American programs, the bill provides \$50,000,000. This is the same as the President's budget request and a reduction of \$2,502,000 below the fiscal year 1996 level. These programs are designed to improve the economic well-being of disadvantaged Native Americans through vocational training, work experience, and other services aimed at getting participants into permanent unsubsidized jobs.

In a recent program year, only 50% of those who completed the program were placed into jobs. A lack of private sector jobs on reservations is a major problem for reservation training programs. There appears to be a high degree of overlap and fragmentation among programs in various Federal agencies which serve the Indian population.

Migrant and seasonal farmworkers

For Migrant and Seasonal Farmworker programs, the bill provides \$65,000,000. This is the same as the President's budget request and a reduction of \$4,285,000 below the fiscal year 1996 level. This program is aimed at alleviating chronic unemployment and underemployment being experienced by farmworker families. Training and employability development services are supposed to prepare farmworkers for stable, year-round employment, both in and outside the agricultural industry. Supportive services such as health care, day care and housing are also provided. Over the 9-year period ending on June 30, 1992, of the 440,000 participants in the program, only 27% had been placed into permanent unsubsidized employment.

The Department is encouraged to continue the farmworker housing program at a level proportionate to the current year.

Veterans' employment

For veterans' employment, the bill provides \$7,300,000. This is the same as the budget request and the fiscal year 1996 level. These funds provide special employment and training programs designed to meet the unique needs of disabled, Vietnam-era, and recently separated veterans.

Other Federally-administered programs

For other Federally-administered programs, \$33,825,000 is provided. This is \$17,752,000 under the fiscal year 1996 level and \$332,754,000 under the budget request. The Committee allowance includes funding for research and evaluation (\$6,196,000), labor market information (\$5,489,000), the National Occupational Information Coordinating Committee (\$2,530,000), pilots and demonstrations (\$15,000,000), Women in Apprenticeship (\$610,000), and the National Skills Standards Advisory Board (\$4,000,000).

The Committee has provided full funding for the ongoing multiyear evaluation of the Job Corps program. This evaluation will proceed as planned and on schedule. A number of serious questions have been raised about Job Corps in the recent past, and the Committee expects this evaluation will provide answers for them.

The Committee has placed the pilots and demonstrations activity on a phaseout path. The Department is expected to phase down funding of current principal grantees to allow them to make the transition to other sources of funding.

The Committee has provided no funding for new discretionary job training initiatives proposed by the President totaling \$315,000,000. Most of these funds were requested for an out-of-school youth demonstration program. While the Committee agrees that there are serious problems with this segment of the population, it does not believe that this additional funding should be provided at this time. The discretionary spending ceilings are extremely tight again this year, and we simply cannot afford large new initiatives. In addition, the authorizing committees are nearing completion of a complete rewrite of the job training laws. Any new program initiatives should await the new law.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

The bill includes \$373,000,000 for community service employment for older Americans. This is the same as the fiscal year 1996 level and an increase of \$23,000,000 over the President's budget request. The Committee notes that this program again this year lacks an authorization for appropriations. The program, under title V of the Older Americans Act, provides part-time employment in community service activities for unemployed, low-income persons aged 55 and over. It is forward-funded from July to June, and the fiscal year 1997 appropriation will support the effort from July 1, 1997 through June 30, 1998. An estimated 86,000 participants will be supported by the bill.

The Committee notes that the authorizing committees are moving towards shifting this program entirely to the States. In the meantime, the Committee recommends in this bill that 65 percent of the funds go to national sponsors and 35 percent go to the

States, rather than the current allocation of 78 percent for national sponsors and 22 percent for States.

As requested by the President, the bill essentially transfers this program to the Department of Health and Human Services by transferring the appropriation. This action is contingent upon enactment of the new authorizing legislation that is moving through the Congress.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

The bill includes \$324,500,000, the same as the budget request and a reduction of \$21,600,000 below the fiscal year 1996 comparable level. The fiscal year 1997 allowance provides funding for four activities, all entitlements.

The first activity, trade adjustment assistance benefits, provides for special unemployment benefit payments to workers as authorized by the Trade Act of 1974, as amended. For this activity the bill includes \$191,000,000. This is the same as the budget request and an increase of \$8,000,000 over the fiscal year 1996 level. These funds will permit payment of benefits, averaging \$215 per week, to 35,200 workers for fiscal year 1997. Of these workers, 18,900 will participate in training programs, receiving benefits for an average of 28 weeks. The remaining 16,300 workers receiving benefits will receive training waivers and collect benefits for an average of 21 weeks.

The second activity, trade adjustment assistance training, provides training, job search and job relocation allowances to workers adversely affected by imports. The funding for this activity is also authorized under the Trade Act of 1974, as amended. The bill includes \$85,100,000 for this activity. This is the same as the budget request and a decrease of \$11,500,000 below the fiscal year 1996 level. These funds will provide services for an estimated 23,600 workers.

The third activity, NAFTA transitional adjustment assistance benefits, provides for weekly benefit payments to workers affected by imports from Mexico and Canada. These payments are also authorized by the Trade Act of 1974, as amended as a result of the signing of the North American Free Trade Agreement (NAFTA). The bill includes \$20,000,000 for this activity. This is the same as the budget request and a reduction of \$14,000,000 below the fiscal year 1996 level. These funds will provide 3,700 eligible workers an average of 24 weeks of benefits each, at an average weekly amount of \$224.

The fourth activity, NAFTA transitional adjustment assistance training, provides funds for training, job search and job relocation to workers affected by imports from Mexico and Canada. The funding for this activity is also authorized by the amendment to the Trade Act of 1974 resulting from the signing of the NAFTA. The bill includes \$28,400,000 for this activity. This is the same as the budget request and a reduction of \$4,100,000 below the fiscal year 1996 level. These funds will provide training for an estimated 7,400 workers.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE
OPERATIONS

The bill includes \$3,228,390,000 for this account, a reduction of \$9,132,000 below the fiscal year 1996 level and \$333,135,000 below the budget request. Included in the total availability is \$3,096,111,000 authorized to be drawn from the Employment Security Administration Account of the Unemployment Trust Fund and \$132,279,000 to be provided from the general fund of the Treasury. The funds in this account are used to provide administrative grants and assistance to State agencies which administer Federal and State unemployment compensation laws and operate the public employment service. In addition, funds are provided for the one-stop career center program.

For Unemployment Insurance Services, the bill provides \$2,345,808,000. This total includes a regular contingency amount of \$260,573,000, which may be drawn from the Employment Security Administration Account of the Unemployment Trust Fund. In addition, the bill further provides for a second contingency amount should the unemployment workload exceed an average weekly insured claims volume of 2,828,000. This second contingency amount would fund the administrative costs of unemployment insurance workload over the level of 2,828,000 insured unemployed per week at a rate of \$28,600,000 per 100,000 insured unemployed, with a pro-rata amount granted for amounts of less than 100,000 insured unemployed. The Committee wishes to be promptly notified whenever this latter contingency mechanism is utilized.

The Unemployment Insurance Service recommendation is \$217,539,000 below the budget request and an increase of \$38,955,000 over the fiscal year 1996 level. The Committee recommendation provides an increase of \$40,455,000 over the fiscal year 1996 level for funds allocated to States. For national activities, the bill includes \$8,500,000; this is a reduction of \$1,500,000 below the fiscal year 1996 level. The bill includes \$3,500,000 to continue the information technology support center.

For the Employment Service, the bill provides \$772,582,000 which includes \$22,279,000 in general funds together with an authorization to spend \$750,303,000 from the Employment Security Administration Account of the Unemployment Trust Fund. These amounts are \$48,087,000 below the fiscal year 1996 level and \$75,596,000 below the budget request. Included in the bill for the Employment Service is \$723,648,000 for State grants, available for the program year of July 1, 1997 through June 30, 1998. This is \$58,654,000 below the budget request and \$38,087,000 below the fiscal year 1996 level. This is a reduction of 5% from fiscal year 1996. The effectiveness of the Employment Service has been in question for some time. Only 14% of ES applicants were placed in jobs in a recent year, only 4% received counseling and only 2% were referred to training. In addition, the new one-stop career center program should lessen the need for Employment Service staff. The Committee has reduced ES national activities by \$10,000,000 below the fiscal year 1996 level. Most of these funds are used for the alien labor certification program; the Committee notes that the Department's Inspector General recently recommended that this

program be eliminated because it is not doing what it was intended to do.

The Committee is aware that the House has passed legislation to establish a Work Opportunities Tax Credit for employers. This was included in H.R. 3448, a bill to provide tax relief for small businesses and to raise the minimum wage, which passed the House on May 22 and is pending in the Senate. The Committee supports this new program and intends to provide funding for it at a later time after the legislation is enacted into law. The program would be administered by the State employment security agencies.

The Committee has provided \$110,000,000 for States to establish one-stop career centers to integrate the provision of labor market and training services to unemployed workers and to employers through collaboration of local service providers. This is the same as the fiscal year 1996 appropriation and a reduction of \$40,000,000 below the budget request. Funds provided under the one-stop initiative must supplement, not supplant, other Federal, State or local funds committed to such centers. One-stop centers should provide access to the broadest range of workforce development and social support services needed to meet client needs, including, at a minimum, the unemployment and employment service programs, dislocated workers and other JTPA programs and the local Job Opportunities and Basic Skills (JOBS) program.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

The bill includes \$373,000,000, the same as the budget request and an increase of \$4,000,000 over the fiscal year 1996 comparable level. The appropriation is available to provide advances to several accounts for purposes authorized under various Federal and State unemployment compensation laws and the Black Lung Disability Trust Fund, whenever balances in such accounts prove insufficient. The bill anticipates that fiscal year 1997 advances will be made to the Black Lung Disability Trust Fund.

The separate appropriations provided by the Committee for all other accounts eligible to borrow from this account in fiscal year 1997 are expected to be sufficient. Should the need arise, due to unanticipated changes in the economic situation, laws, or for other legitimate reasons, advances will be made to the needy accounts to the extent funds are available. Funds advanced to the Black Lung Disability Trust Fund are repayable with interest to the general fund of the Treasury.

PROGRAM ADMINISTRATION

The bill includes total funding for this account of \$121,370,000; this is a reduction of 2 percent below the fiscal year 1996 level. This is \$4,311,000 below the request and \$2,477,000 below the fiscal year 1996 level. This includes \$81,393,000 in general funds and authority to expend \$39,977,000 from the Employment Security Administration Account of the Unemployment Trust Fund. General funds in this account provide the Federal staff to administer employment and training programs under the Job Training Partnership Act, the Older Americans Act, the Trade Act of 1974, and the National Apprenticeship Act. Trust funds provide for the Federal

administration of employment security functions under Title III of the Social Security Act and the Immigration and Nationality Act.

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

The bill provides \$65,783,000 for this account, a reduction of \$19,666,000 from the budget request and a reduction of \$1,343,000 below the fiscal year 1996 comparable level. This is a reduction of 2 percent below the fiscal year 1996 amount.

The Pension and Welfare Benefits Administration (PWBA) is responsible for the enforcement of Title I of the Employee Retirement Income Security Act of 1974 (ERISA) in both civil and criminal areas. This involves ERISA fiduciary and reporting/disclosure requirements. PWBA is also responsible for enforcement of sections 8477 and 8478 of the Federal Employees' Retirement Security Act of 1986 (FERSA).

Under current law, many women lose their rights to pensions after divorce due, in part, to a need for guidance on qualified domestic relations orders. The Committee urges the Department of Labor to develop, in consultation with the Department of the Treasury, guidance under ERISA and the Internal Revenue Code including the development of model forms for a qualified domestic relations order. The model forms should focus attention on the need to address the payment of benefits upon the death of either the participant or the ex-spouse, and the forms of benefit payment available under the plan including any lump sum payment, qualified joint and survivor annuity, or qualified preretirement survivor annuity. In addition, the Secretary of Labor should undertake outreach efforts, in consultation with the Secretary of the Treasury, to disseminate the guidance and forms to practitioners and other interested parties at the earliest possible date.

PENSION BENEFIT GUARANTY CORPORATION

The Pension Benefit Guaranty Corporation is a wholly-owned government corporation established by the Employee Retirement Income Security Act of 1974. The law places it within the Department of Labor and makes the Secretary of Labor the chairman of its board of directors. The Corporation receives its income from insurance premiums collected from covered pension plans, collections of employer liabilities imposed by the Act, and investment earnings. It is also authorized to borrow up to \$100 million from the Treasury. The primary purpose of the Corporation is to guarantee the payment of pension plan benefits to participants if covered plans fail or go out of existence.

The Corporation's proposal for fiscal year 1997 includes benefit payments of \$945,400,000, multi-employer financial assistance of \$6,120,000, an administrative expenses limitation of \$12,043,000, and administrative expenses that are exempt from limitation of \$128,496,000. Only the administrative expenses limitation would be subject to the appropriations process under the budget request. The Committee is concerned that such a large portion of this agency's administrative costs is exempted from the scrutiny of the appropriations process. It is not convinced that there is any longer a

compelling need to do this. Therefore, the Committee recommends that all administrative expenses of the PBGC be considered in the appropriations process. The bill includes an administrative expense limitation of \$135,720,000 for fiscal year 1997. This is a reduction of \$2,770,000 below the fiscal year 1996 amount, or 2 percent. It is \$4,819,000 below the budget request.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

The total combined general and trust fund amount for this agency is \$259,405,000. This is a reduction of \$46,508,000 below the budget request and a reduction of \$5,293,000 below the fiscal year 1996 comparable level. The bill includes \$258,422,000 in general funds for this account and also contains authority to expend \$983,000 from the Special Fund established by the Longshore and Harbor Workers' Compensation Act. The Committee has reduced this account overall by 2 percent from the fiscal year 1996 comparable level. In addition, an amount of \$26,071,000 is available by transfer from the Black Lung Disability Trust Fund. This is the same as the request and \$1,122,000 below the fiscal year 1996 level. The President's budget requested a staffing increase of 187 FTE's, or 5 percent, for fiscal year 1997 which the Committee does not recommend. This is not the time to be substantially increasing Federal staff.

The Employment Standards Administration is involved in the administration of numerous laws, including the Fair Labor Standards Act, the Immigration and Nationality Act, the Migrant and Seasonal Agricultural Workers' Protection Act, the Davis-Bacon Act, the Family and Medical Leave Act, the Federal Employees' Compensation Act (FECA), the Longshore and Harbor Workers' Compensation Act, and the Federal Mine Safety and Health Act (black lung). The agency also administers Executive Order 11246 related to affirmative action by Federal contractors and the Labor-Management Reporting and Disclosure Act.

The Committee is deeply concerned by the revelations in recent months concerning the submission of fraudulent wage data by certain parties in the Davis-Bacon Act program. These problems were originally brought to light through the diligent efforts of the Commissioner of Labor for the State of Oklahoma. The General Accounting Office has recently completed a report on the Davis-Bacon wage survey process that also addressed concerns about fraudulent data as well as other serious concerns about the process. The Committee knows that the Department's Inspector General is also currently looking at this matter and that the Oklahoma fraud allegations have been submitted to the Justice Department and are under investigation there. This is a very serious matter that must not be tolerated. The Department is instructed to do whatever it takes to assure the validity of data on which prevailing wage determinations are based. The Committee is not convinced that just appropriating more money will resolve this problem. However, if the Department decides that more resources are necessary, the Committee would entertain a reprogramming or transfer request at the appropriate time.

The Committee hears reports from time to time of Wage and Hour investigations that appear to border on harassment of the employer rather than being a legitimate use of the Department's investigative authority. A recent situation on the West Coast that resulted in the dismissal of a high-ranking Departmental regional official appeared to be only an egregious example of a more general pattern of the misuse of the Department's authority. The Committee believes that the Wage and Hour Division must take the necessary steps to put in place procedures to ensure that the time and money spent on an investigation are fully justified.

SPECIAL BENEFITS

The bill includes \$213,000,000, the same as the budget request and a decrease of \$5,000,000 below the fiscal year 1996 comparable level. This appropriation primarily provides benefits under the Federal Employees' Compensation Act (FECA). The payments are required by law.

The total amount to be available in fiscal year 1997, including anticipated reimbursements from Federal agencies of \$1,876,000,000 and carryover funds from the prior year, is \$2,737,054,000, a decrease of \$63,000,000 below the fiscal year 1996 comparable level.

The Committee recommends continuation of appropriation language that provides authority to use the FECA fund to reimburse a new employer for a portion of the salary of a newly reemployed injured Federal worker. The FECA funds will be used to reimburse new employers during the first three years of employment not to exceed 75% of salary in the workers' first year, 50% in the second year, and 25% in the third year. Costs will be charged to the FECA fund.

The Committee recommends continuation of appropriation language to provide authority to deposit into the Special Benefits account those funds that the Postal Service, the Tennessee Valley Authority, and other entities are required to pay to cover their "fair share" of the costs of administering the claims filed by their employees under FECA. The Committee also recommends approval of appropriation language to provide that \$11,390,000 of the funds transferred from the "fair share" agencies to pay the costs of administration will be available to the Secretary of Labor to finance capital improvements relating to upgrading and enhancing the Federal Employees' Compensation program computer system hardware and software. The remaining balance of the administrative costs paid by the "fair share" agencies will revert to Treasury as miscellaneous receipts.

BLACK LUNG DISABILITY TRUST FUND

The bill includes authority to obligate \$1,008,000,000 from the Black Lung Disability Trust Fund in fiscal year 1997. This is an increase of \$10,638,000 above the fiscal year 1996 comparable level and the same as the budget request.

The total amount available for fiscal year 1997 will provide \$496,665,000 for benefit payments, and \$45,979,000 and \$356,000 for administrative expenses for the Departments of Labor and Treasury, respectively. Also included is \$465,000,000 for interest

payments on advances from the general fund of the Treasury. In fiscal year 1996, comparable obligations for benefit payments are estimated to be \$505,494,000, while administrative expenses for the Departments of Labor and Treasury respectively are \$47,112,000 and \$756,000. Interest payments on advances are estimated at \$444,000,000 for fiscal year 1996.

The Trust Fund pays all black lung compensation/medical and survivor benefit expenses when no responsible mine operator can be assigned liability for such benefits, or when coal mine employment ceased prior to 1970, as well as all administrative costs which are incurred in administering the benefits program and operating the Trust Fund.

It is estimated that 77,000 people will be receiving black lung benefits financed from the Trust Fund by the end of fiscal year 1997. This compares with an estimated 81,500 receiving benefits in fiscal year 1996.

The basic financing for the Trust Fund comes from a coal excise tax for underground and surface-mined coal. Additional funds come from reimbursement payments from mine operators for benefit payments made by the Trust Fund before the mine operator is found liable, and advances from the general fund, estimated at \$373,000,000 in fiscal year 1997. The advances to the Fund assure availability of necessary funds when liabilities may exceed other income. The Omnibus Budget Reconciliation Act of 1987 continues the current tax structure until 2014.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The bill includes \$297,734,000 for this agency. This is a reduction of \$6,076,000, or 2 percent, below the fiscal year 1996 level and a reduction of \$43,117,000 from the budget request. The President's budget requested a staffing increase of 237 FTE's, or 11 percent, for fiscal year 1997 which the Committee does not recommend. This is not the time to be substantially increasing Federal staff. This agency is responsible for enforcing the Occupational Safety and Health Act of 1970 in the Nation's workplaces.

The Committee has reduced the Federal enforcement activity by \$3,765,000 below the fiscal year 1996 level; this is a reduction of about 3 percent. The Committee has reduced other activities in this agency, except for compliance assistance, by 2 percent below the fiscal year 1996 level. With respect to compliance assistance, the Committee has provided \$67,301,000, the same as the fiscal year 1996 amount. Compliance assistance activities include on-site consultation programs by designated State agencies for which the bill includes \$32,479,000; training and education grants; fostering and promoting voluntary protection programs that give recognition and assistance to employers who establish exemplary occupational safety and health programs; and the OSHA training institute. The agency should continue to shift its emphasis from "by-the-book" enforcement activities toward cooperative compliance assistance. The Committee is encouraged by the progress that the current head of the agency is making in this regard and urges him to continue and intensify the effort.

The Committee has included language carried in the bill since 1976 in one instance and 1979 in the other that restricts the use of funds for certain purposes. First, the bill includes language that effectively exempts farms employing 10 or fewer people from the provisions of the Act except those farms having a temporary labor camp. Second, the bill includes language exempting businesses employing 10 or fewer in industry classifications having a lost work-day injury rate less than the national average from general schedule safety inspections.

In addition, the bill includes language passed by the House last year prohibiting the development or issuance of any proposed or final standard or guideline on the subject of ergonomic protection.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The bill includes \$191,810,000 for this agency. This is \$12,372,000 below the budget request and \$3,914,000 below the fiscal year 1996 level. It is a 2 percent reduction below the fiscal year 1996 level. This agency enforces the Federal Mine Safety and Health Act in underground and surface coal and metal and non-metal mines. The Committee notes that the number of coal mines is estimated by the agency to drop by 100, or about 3 percent, in the coming year.

The Committee has continued language carried in the bill since 1979 prohibiting the use of funds to carry out the training provisions of the Act with respect to shell dredging or with respect to any sand, gravel, surface stone, surface clay, colloidal phosphate or surface limestone mine.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

The total funding recommended by the Committee for the Bureau of Labor Statistics is \$355,000,000. This is an increase of \$11,931,000 over the fiscal year 1996 level and a reduction of \$17,431,000 below the budget request. The bill includes \$302,947,000 in general funds for this account and authority to spend \$52,053,000 from the Employment Security Administration Account of the Unemployment Trust Fund. The Bureau of Labor Statistics is the principal fact-finding agency in the Federal Government in the broad field of labor economics. Its principal surveys include the Consumer Price Index and the monthly unemployment series.

The Committee has approved \$16,145,000, the full amount requested by the Administration, for the Consumer Price Index revision. This revision is critical to the Nation's economy and to the Federal budget. The Committee directs the Bureau to give this matter the very highest priority.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The bill includes a combined general and trust fund amount for Departmental Management activities of \$137,801,000. This is \$8,736,000 below the budget request and a reduction of \$4,549,000 below the fiscal year 1996 level. The bill includes \$137,504,000 in general funds for this account along with authority to transfer \$297,000 from the Employment Security Administration account of the Unemployment Trust Fund. In addition, an amount of \$19,621,000 is available by transfer from the Black Lung Disability Trust Fund. This is the same as the budget request and the fiscal year 1996 level.

The Departmental Management appropriation finances staff responsible for formulating and overseeing the implementation of Departmental policy and management activities. In addition, this appropriation includes a variety of operating programs and activities that are not involved in Departmental Management functions, but for which other salaries and expenses appropriations are not suitable.

The Committee has reduced the base funding for this account by 2 percent below the fiscal year 1996 level. In addition, the Committee recommends the continued downsizing of the Bureau of International Labor Affairs from \$9,900,000 in fiscal year 1996 to \$6,000,000 in fiscal year 1997. This action taken by the Committee will allow the Bureau to carry out its statutory responsibilities under NAFTA and its activities with respect to international child labor and worker rights activities, but will eliminate all other activities currently conducted. The other activities carried out by the Bureau are primarily discretionary in nature and seem to be less than critical in times of severe fiscal constraints. These include: participating in the U.S. labor attaché program in embassies abroad, overseas technical assistance projects, participating in multilateral and bilateral trade negotiations and on international bodies such as the ILO and the OECD and other U.N. organizations. It would appear that the State Department and the Office of the Trade Representative should handle most of these activities.

The bill includes \$2,000,000 for the purpose of evaluating the practical application of construction regulations under the Occupational Safety and Health Act to residential construction. The Committee questions whether these regulations are appropriate for residential construction.

The Committee believes that the Office of the Solicitor may have too much staff assigned to work related to the Longshore and Harbor Workers' Compensation Act. The Committee requests that the Department reexamine this matter and submit a report to the Committee by December 31, 1996 explaining the role played by the Solicitor under the Longshore Act and how the staffing levels under the Act are determined. The Solicitor should also ensure that the role of departmental attorneys in the black lung program is focused on the defense of claims chargeable to the Black Lung Disability Trust Fund.

The Committee urges the Women's Bureau to continue support for technical assistance and training on displaced homemaker pro-

gramming. This assistance is critical as State and local agencies develop and implement new models for workforce development.

The Department is instructed to include, as a footnote within its audited financial statements, information on revenues, both to the Department and to the Federal government, resulting from the activities of the Department's Inspector General and specifically to identify measurable "funds put to better use" as additional budgetary resources.

The Committee supports the ongoing efforts of the Department of Justice to rid the International Brotherhood of Teamsters of organized crime influence. The Committee agrees that up to \$3,800,000 of the amounts available to the Department of Labor for fiscal year 1997 may be allocated to the Department of Justice for the supervision of the Teamsters election process, subject to the normal reprogramming requirements of the Committee.

The bill includes a general provision that requires that no Departmental funds may be disbursed without the approval of the Department's Chief Financial Officer. The purpose of this provision is to clarify and ensure that the Chief Financial Officer has both the responsibility and authority to oversee the finances of the Department to ensure fiscal accountability.

Each of the departments under the Committee's jurisdiction is statutorily required to have audited financial statements covering all the department's accounts and activities. Congress enacted this requirement in the Government Management Reform Act of 1994 after having observed the benefits of the pilot program of audited financial statements that had been required by the Chief Financial Officers (CFO) Act of 1990. An audited financial statement is like a "scorecard" that reflects a department's progress in achieving the significant financial management reforms required by the CFO Act, and in providing effective stewardship and management of government funds. Accordingly, the Committee expects the Department to work vigorously towards obtaining a clean opinion on its financial statements. The transfer and reprogramming authority the Committee has granted provides substantial flexibility to the Department and is particularly valuable during periods of increasing fiscal constraints. However, the Committee questions the extent to which agencies can properly exercise such authority and accurately account for affected funds if they have not made substantial progress towards achieving the CFO Act's financial management reforms. Accordingly, in subsequent years, the Committee will consider the Department's progress in making such reforms and in obtaining a clean opinion on its financial statements when scrutinizing requests for current appropriations and in deciding whether to continue, expand or limit transfer and reprogramming authority.

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

The bill includes \$178,149,000 to be expended from the Employment Security Administration Account of the Unemployment Trust Fund. This is \$721,000 below the budget request and \$7,759,000 above the fiscal year 1996 level.

For State grants, the bill provides \$81,993,000 for the Disabled Veterans Outreach program. This amount is sufficient to finance about 1,600 State staff. The bill also provides \$75,125,000 for the

Local Veterans Employment Representative program. This amount is sufficient to finance about 1,400 State staff.

For Federal administration, the bill provides \$19,031,000, a reduction of \$388,000 from the fiscal year 1996 level. This is a reduction of 2 percent. Included here is \$2,300,000 for the Transition Assistance Program, which, it is estimated, will provide reemployment assistance to approximately 164,000 people separating from the military.

The bill provides \$2,000,000 for fiscal year 1997 for the National Veterans Training Institute (NVTI), a reduction of \$672,000 from fiscal year 1996. The President proposed to eliminate the Institute. Since its beginning in 1986, this training institute has trained some 21,000 people in veterans employment issues. Attendees at the Institute are primarily State employees who provide employment services to veterans. The Committee believes that the Department of Defense and other Federal agencies should pay the full cost of training for their employees that is provided by the NVTI.

OFFICE OF THE INSPECTOR GENERAL

The bill includes a combined general and trust fund amount of \$46,481,000. This is \$1,606,000 below the budget request and \$1,560,000 below the fiscal year 1996 comparable level. This includes \$42,938,000 in general funds for this account along with authority to transfer \$3,543,000 from the Employment Security Administration account of the Unemployment Trust Fund. In addition, an amount of \$287,000 is available by transfer from the Black Lung Disability Trust Fund.

The Office of the Inspector General was created by law to protect the integrity of Departmental programs as well as the welfare of beneficiaries served by those programs. Through a comprehensive program of audits, investigations, inspections, and program evaluations, the OIG attempts to reduce the incidence of fraud, waste, abuse, and mismanagement, and to promote economy, efficiency, and effectiveness throughout the Department.

The Committee believes that all of the Inspectors General need to do a better job of accounting for and tracking the savings that they claim to generate by their efforts. More attention must be paid to how much money is actually collected each year and paid back to the Federal government. The Committee directs the Inspector General to report to the Committee each quarter on:

- (1) the actual payments, as a result of fines, restitutions or forfeitures, made to the United States Government as a result of his activities; and
- (2) how "funds put to better use" were used; this report must identify funds made available for use by management and the programs, projects, and activities that were increased as a result of these funds.

The Committee would like the Inspector General to examine how the Wage and Hour Division selects individual employers for investigation, particularly under the Fair Labor Standards Act, and also how decisions are made concerning the amount of time and resources devoted to an individual investigation. The Committee has some concerns in this area and believes that this would be a useful thing for the Inspector General to examine. The IG should submit

a report to the Committee on this before next year's appropriations hearings.

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

The bill includes \$3,080,190,000 for health resources and services programs. This is \$3,450,000 above the comparable amount available for these activities in fiscal year 1996 and \$33,293,000 below the amount requested in the President's budget.

The Health Resources and Services Administration (HRSA) supports programs which provide health services to disadvantaged, medically underserved and special populations; improve infant mortality rates; direct the education, supply and distribution of a wide range of health professionals; and provide technical assistance regarding the utilization of health resources and facilities. A large number of the programs funded in this account are currently unauthorized, including all health professions activities and consolidated health centers.

Consolidated health centers

The Committee has again provided funds for community health centers, migrant health centers, health care for the homeless, and public housing health service grants in a consolidated line rather than through separate activities. Each of these programs is being considered for reauthorization and their structure may change. Community health centers are often the grantees for the other programs as well, and the Administration has already made some efforts to consolidate grant applications and reduce duplication. The Committee encourages the agency to take whatever additional administrative steps it can to build on these consolidation efforts.

The Committee provides \$802,124,000 for this consolidated health centers line, which is \$43,992,000 above the 1996 level and \$45,000,000 above the Administration request for this grouping of programs.

Community health centers

The community health centers program helps support systems that provide access to comprehensive, case-managed primary health care services for at-risk populations who live in rural and urban medically underserved areas.

The Committee intends that the funding increases allocated to community health centers be used both to provide increases in grant levels for existing grantees and to provide funding to new health centers to establish services in unserved communities.

The Committee is aware of efforts by local physicians organizations to support the needs of community health centers. The Committee encourages HRSA to support efforts by local physicians organizations to contribute to improving the quality of medical care provided at community health centers.

Based on the past success of HRSA demonstration projects linking community health centers and substance abuse treatment centers, the Committee encourages HRSA to enhance grants to health centers that coordinate primary care with substance abuse treatment centers.

Migrant health centers

The program helps provide culturally sensitive comprehensive primary health care services to migrant and seasonal farmworkers and their families. Over 80 percent of the centers also receive funds from the community health centers program.

Health care for the homeless

The program provides project grants for the delivery of primary health care services, substance abuse services, and mental health services to homeless adults and children. About half of the projects are administered by community health centers. The other half are administered by non-profit coalitions, inner city hospitals, and local public health departments.

Public housing health service grants

The program awards grants to community-based organizations to provide case-managed ambulatory primary health and social services in clinics at or in close proximity to public housing. More than 60 percent of the programs are operated by community health centers.

National Health Service Corps: Field placements

The Committee provides \$37,244,000 for field placement activities, which is the same as the 1996 level. The Administration requested funding in a consolidated workforce development cluster. These funds are used to support the activities of National Health Service Corps obligors and volunteers in the field, including travel and transportation costs of assignees, training and education, recruitment of volunteers, and retention activities. Salary costs of most new assignees are paid by the employing entity.

National Health Service Corps: Recruitment

The Committee provides \$78,189,000 for recruitment activities, which is \$3,000,000 above the 1996 level. The Administration requested funding in a consolidated workforce development cluster. The program awards scholarships to health professions students and assists graduates in repaying their student loans. In return for every year of support, these students are obligated to provide a year of service in health professional shortage areas usually located in inner cities or rural areas, with a two-year minimum obligation. The Committee reiterates its intent that funds provided be used to support multi-year, rather than single-year, commitments.

The Committee is pleased with the progress made through the oral health initiative in supporting the provision of dental care at 10 centers with significant oral health needs. The Committee encourages HRSA to expand this initiative so that greater progress can be made in addressing oral diseases. The Committee also en-

courages the NHSC to consider increasing the number of dental participants in its scholarship and loan repayment programs.

Health professions

The Committee provides \$292,450,000 for all health professions training programs, which is \$33,875,000 above the 1996 level. The Administration requested funding in consolidated program clusters including the National Health Service Corps. For the most part, each health professions training program is provided a proportionate share of the increase based on its share of total 1996 funding.

Laboratory tests are increasingly available for the presence of genetic markers for serious diseases, including breast cancer, prostate cancer and Alzheimer's disease. The social, legal, psychological, and ethical implications of such tests are profound. Individuals must have the opportunity to work with professionals trained to provide genetic counseling to ensure maximum benefit from the new genetic information. Yet, very few health and allied health professionals have such training and certified genetic counselors are only numbered at 1,200. Therefore, the Committee strongly urges HRSA to work with the National Center for Human Genome Research and the appropriate health and allied health professions to develop a plan to incorporate genetic counseling and genetic information in health professions training. The Committee requests that HRSA be prepared to report on such plans at its fiscal year 1998 appropriation hearings.

The Committee encourages collaboration between the Substance Abuse and Mental Health Administration and HRSA to fund interdisciplinary health professions training projects, including training of mental health professionals, for practice in managed care settings and other primary care health settings. The Committee encourages HRSA to develop technical assistance for use in health professions training to assess interdisciplinary models of practice that integrate health care, mental health and addictions services in primary care.

Grants to communities for scholarships

The Committee provides \$532,000 for grants to communities for scholarships, which is \$58,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program provides grants to States to provide financing for community organizations located in health professions shortage areas to make scholarship awards to health professions students in exchange for a service obligation in the community. Sixty percent of the costs of scholarships are paid by the State and sponsoring community organization.

Health professions data systems

The Committee provides \$238,000 for the health professions data systems, which is \$26,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. This program supports the collection and analysis of data on the labor supply in various health professions and on future workforce configurations.

Nurse loan repayment for shortage area service

The Committee provides \$2,197,000 for nurse loan repayment for shortage area service, which is \$235,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. This program offers student loan repayment to nurses in exchange for an agreement to serve not less than two years in an Indian Health Service health center, Native Hawaiian health center, public hospital, community or migrant health center, or rural health clinic.

Centers of excellence

The Committee provides \$24,718,000 for centers of excellence, which is \$2,646,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program is designed to strengthen the national capacity to educate minority students in the health professions by offering special support to those institutions which train a significant number of minority health professionals, including Hispanics and Native Americans. Funds are used for the recruitment and retention of students and faculty, information resources and curricula, faculty and student research, and the development of plans to achieve institutional improvements.

The Committee is concerned that the focus of the Centers of Excellence program may be diluted by the proliferation of grants to institutions which have only a short history and track record of support of minority students. The Committee encourages HRSA to intensify the focus of this program on providing support to historically minority health professions institutions in a manner consistent with the authorizing statute.

Health careers opportunity program

The Committee provides \$26,785,000 for the health careers opportunity program, which is \$2,867,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. This program provides funds to medical and other health professions schools for recruitment of disadvantaged students and pre-professional school preparation.

Exceptional financial need scholarships

The Committee provides \$11,333,000 for exceptional financial need scholarships, which is \$1,213,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. This program provides scholarship aid to exceptionally needy students enrolled in medicine, osteopathic medicine, or dentistry who agree to practice primary care for five years after completing training.

Faculty loan repayment

The Committee provides \$1,061,000 for faculty loan repayment, which is \$114,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The loan repayment for faculty services program provides for the repayment of educational loans for individuals from disadvantaged backgrounds who are health professions students or graduates, and who have

agreed to serve for at least two years as a faculty member of a health professions school. The school matches the Federal contribution toward loan repayment. The program also supports fellowships for minority faculty members.

Financial assistance for disadvantaged health professions students

The Committee provides \$6,718,000 for financial assistance for disadvantaged health professions, which is \$719,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. This program provides financial assistance to disadvantaged students at medical, osteopathic or dental schools who agree to practice primary health care for five years after completing training.

Scholarships for disadvantaged students

The Committee provides \$18,676,000 for scholarships for disadvantaged students, which is \$1,999,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The scholarship program provides grants to selected health professions schools to provide scholarships to individuals from disadvantaged backgrounds. By statute, 30 percent of the funds must go to schools of nursing. Up to 25 percent of a school's grant may be used to provide financial assistance to undergraduates. The Committee continues to intend that all health professions disciplines made eligible by statute be able to participate in the scholarships program.

Family medicine training and departments

The Committee provides \$49,277,000 for family medicine training and departments, which is \$5,275,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. This program has four components: (1) grants to medical schools to promote the predoctoral training of medical students; (2) grants to support family medicine residency programs and their trainees; (3) grants to programs that train physicians who plan to teach in family medicine programs; and (4) grants to assist medical schools in establishing or improving family medicine academic administrative units.

General internal medicine and pediatrics

The Committee provides \$17,628,000 for general internal medicine and pediatrics, which is \$1,887,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program is comprised of three different activities: (1) grants to medical schools and hospitals to plan and operate residency programs and to provide financial assistance for residents; (2) grants to institutions to meet the costs of training programs for physicians who plan to teach in general internal medicine and pediatrics, as well as to support the faculty trainees; and (3) grants to develop programs to support predoctoral activities, including ambulatory care experiences, curriculum development and student assistantships.

Physician assistants

The Committee provides \$6,380,000 for physician assistants, which is \$683,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program provides grants for the training of physician assistants and for the training of faculty who will teach in physician assistants programs. By law, no more than 10 percent of the funding may be used for faculty development.

Public health and preventive medicine

The Committee provides \$8,005,000 for public health and preventive medicine, which is \$857,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program is comprised of three elements: public health special projects, public health traineeships and preventive medicine residencies. Public health special projects provide grants to schools of public health for developing projects in the areas of preventive medicine, health promotion and disease prevention, improving access to and the quality of health services in medically underserved communities, and reducing the incidence of domestic violence. Public health traineeship grants provide graduate training to individuals in the fields of epidemiology, environmental health, biostatistics, toxicology, and public health nutrition. Preventive medicine residency grants assist schools in developing new residency training programs or improving existing programs and in providing financial assistance to residency trainees.

Health administration traineeships and special projects

The Committee provides \$1,095,000 for health administration traineeships and special projects, which is \$117,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. This program provides grants to graduate degree programs in health administration, hospital administration and health policy analysis for traineeships for students and for special projects to prepare students for employment with public or nonprofit private agencies.

Area health education centers

The Committee provides \$28,495,000 for area health education centers, which is \$5,372,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The area health education centers (AHEC) program links university health science centers with community health service delivery systems to provide training sites for students, faculty and practitioners. The program supports three types of projects: core grants to plan and implement programs; special initiative funding for schools that have previously received AHEC grants; and model programs to extend AHEC grants with 50 percent Federal funding.

Because of the promising biomedical advances made in chronic fatigue and immune dysfunction syndrome (CFIDS) research, there is a need for clinical care education programs for physicians and other health care professionals. The Committee encourages HRSA to conduct an inventory of CFIDS-related resources for its area

health education centers and to design an appropriate training curriculum.

Border health training centers

The Committee provides \$3,752,000 for border health training centers, which is \$402,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program funds schools of medicine and osteopathy to support health education and training centers to improve the supply, distribution and quality of health personnel along the border between the United States and Mexico and in other urban and rural areas with populations with serious unmet health care needs.

General dentistry residencies

The Committee provides \$3,786,000 for general dentistry residencies, which is \$405,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program provides grants to dental schools to support residency programs and provide financial assistance to their students. In the primary care residency program, dentists learn to provide a broad range of services for patients requiring complex care, such as the developmentally disabled, high risk medical patients and those with infectious diseases. All grantees include community-based rotations, where residents provide oral health care to underserved populations and communities. Graduates of these programs have greater clinical expertise and consequently refer fewer patients to specialists.

Allied health special projects

The Committee provides \$3,834,000 for allied health special projects, which is \$410,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program provides funding for allied health professions schools for establishing community-based programs, expanding enrollment, developing curricula in areas such as geriatrics, and establishing interdisciplinary training. The Committee continues to encourage HRSA to give priority consideration to projects for schools training allied health professionals experiencing shortages, such as medical technologists and cytotechnologists.

Geriatric education centers and training

The Committee provides \$8,884,000 for geriatric education centers and training, which is \$951,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program supports grants to health professions schools to establish geriatric education centers to provide training for faculty who teach geriatrics and health care professionals who provide treatment. It also provides grants to medical schools and hospitals for geriatric training fellowships for physicians and dentists who plan to teach geriatrics.

Rural interdisciplinary traineeships

The Committee provides \$4,154,000 for rural interdisciplinary traineeships, which is \$445,000 above the 1996 level. The Adminis-

tration requested funding in a consolidated program cluster. The program provides grants to health departments, academic institutions, and health professions schools to train practitioners to provide services in rural areas, to demonstrate models to improve access to health care, to deliver health care services to rural residents, and to increase the recruitment and retention of health professionals in rural areas.

Podiatric medicine

The Committee provides \$678,000 for podiatric medicine, which is \$73,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program supports grants to hospitals and schools of podiatric medicine for primary care residency programs that provide traineeships to residents.

Chiropractic demonstration grants

The Committee provides \$1,026,000 for chiropractic demonstration grants, which is \$110,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program provides grants to colleges and universities of chiropractic to carry out demonstration projects in which chiropractors and physicians collaborate to identify and provide effective treatment of spinal and lower back conditions.

Nurse training programs

The Committee requests that HRSA continue funding all advanced practice nurses, including nurse practitioners, nurse-midwives, clinical nurse specialists, and nurse anesthetists consistent with past funding levels. This will allow for a continued supply of all advanced practice nurses, especially in underserved areas, which meets the health care needs of the nation. The Committee recognizes that the trend toward community-based health care, an aging population, more people living with chronic conditions, and a sicker hospital population, all indicate the importance of increasing the number of professional nurses, particularly those in advanced practice.

The underrepresentation of African Americans in the nursing fields, from nursing faculty, to registered nursing, to advanced nurse practitioners, to those receiving baccalaureate, masters and doctoral degrees, continues. The Committee encourages HRSA to take the steps necessary to increase the representation of African Americans in these areas of nursing, and requests an update on this effort in the 1998 appropriations hearings.

Advanced nurse education

The Committee provides \$12,469,000 for advanced nurse education, which is \$1,335,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program provides institutional support to nursing schools to plan and operate or significantly expand masters or doctoral level programs for nurse educators, public health nurses, or other clinical nurse specialties.

Nurse practitioners/nurse midwives

The Committee provides \$17,588,000 for nurse practitioners/nurse midwives, which is \$2,128,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program provides grants to public or nonprofit hospitals and schools of nursing, public health, and medicine to develop or significantly expand programs to train nurse practitioners and nurse midwives to provide primary health care.

Special projects

The Committee provides \$10,567,000 for special projects, which is \$1,131,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. This program provides grants to nursing schools and public and nonprofit private entities to expand enrollment in nursing programs; to provide nursing practice arrangements in non-institutional settings; to support continuing education for nurses in medically underserved communities; to provide fellowships to individuals who are employed in long-term care as paraprofessionals; and to demonstrate innovative nursing practices.

Nurse disadvantaged assistance

The Committee provides \$3,867,000 for nurse disadvantaged assistance, which is \$414,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The program provides grants to nursing schools and other entities to recruit individuals from disadvantaged backgrounds, to provide counseling and preliminary education for them, to support stipends and to train school faculty.

Professional nurse traineeships

The Committee provides \$15,942,000 for professional nurse traineeships, which is \$1,707,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. The nurse traineeships program provides individual support to nurses receiving masters and doctoral degrees as nurse practitioners, midwives, educators, public health nurses, and other clinical nursing specialties.

Nurse anesthetists

The Committee provides \$2,765,000 for nurse anesthetists, which is \$296,000 above the 1996 level. The Administration requested funding in a consolidated program cluster. This program funds grants to public or private nonprofit institutions to support the costs of traineeships for licensed registered nurses to become nurse anesthetists. The program also funds grants to institutions to develop or expand programs to train nurse anesthetists. In addition, the program supports faculty fellowships to permit instructors to obtain relevant advanced education.

Hansen's disease services

The bill includes \$17,094,000 to support the operation of the Gillis W. Long Hansen's Disease Center in Carville, Louisiana, research in Baton Rouge, Louisiana, and the regional ambulatory

care program for Hansen's disease patients. This is \$723,000 above the amount requested in the budget and the same as the amount provided in fiscal year 1996. The Gillis W. Long Center operates as a research and treatment center for persons with Hansen's disease (leprosy). The Federal government is required to provide care for anyone presenting themselves at the facility for care of Hansen's disease. In 1997, the facility is expected to have an average inpatient census of 115 patients. The regional ambulatory care program provides secondary and tertiary care in support of direct care at the Center and regionalized care of patients on an outpatient basis. It is expected to serve 3,000 patients in 11 locations.

The Committee has included bill language enabling the transfer of the Carville facility to the state of Louisiana. The transfer and the shift of residents would take place over a three-year period. Patients who desired could accept a lifelong stipend to live privately in the community; those who wished could remain with other patients in a long-term care facility in the Baton Rouge area. The Secretary could designate a limited number of patients whom it would be impractical to move who could continue to reside at Carville. The facility would be used for health and education purposes consistent with the mission of the Department of Health and Human Services. The Department would have authority to approve any change in the designated uses of the Carville facility for a period of thirty years.

Maternal and child health block grant

The bill includes \$681,061,000 for the Maternal and Child Health (MCH) Block Grant. This is \$2,857,000 above the amount appropriated in fiscal year 1996 and the same as the amount requested by the Administration. The block grant provides funds to States to meet a broad range of enhanced and wraparound health services, including personal health services; general, population-wide health services, such as screening; family support services; and integrated systems of care. About 16 million women, infants, children, adolescents and children with special health care needs will be served in 1997. The authorizing statute provides that, up to a funding level of \$600,000,000, 85 percent of the funds are distributed to the States, with 15 percent of the funds set aside by the Secretary for special projects of regional and national significance (SPRANS). When the appropriation exceeds \$600,000,000, 12.75 percent of the amount over \$600,000,000 is directed to the Community Integrated Service Systems set-aside program. The remaining 87.25 percent is distributed by the same 85/15 percent allocation as in the basic block grant formula.

The Committee is concerned that almost half of the States have fluoridation rates below 60%. Fluoridation is one of the most cost-effective public health measures that our nation can undertake. Currently, it costs between 20 and 50 cents per person per year to provide fluoridation. By comparison, the National Institute of Dental Research estimates that preventive dentistry, including fluoridation, has saved Americans nearly \$100 billion in potential dental care expenses during the 1979–1989 period. The Committee requests the MCH Bureau to develop an implementation plan for in-

creased fluoridation and urges it to allocate SPRANS funds to assist those states with fluoridation levels below 25 percent.

The hemophilia treatment centers program serves as a model in the management of chronic diseases, demonstrating remarkable cost-effective health outcomes, including substantially reduced hospitalization. The Committee expects HRSA to work collaboratively with CDC to ensure that the treatment centers network is utilized in data collection, surveillance, and patient notification and outreach related to blood and blood products usage.

The Committee has been pleased with the MCH Bureau's work in responding to the joint effort with the NIH National Institute of Child Health and Human Development in the "Back to Sleep Campaign" for sudden infant death syndrome, and by the effort to understand the need for SIDS services through its nationwide survey of sudden infant death services. The Committee encourages the MCH Bureau to consider establishing a SIDS program support center.

The Committee continues to support the demonstration projects for disabled children such as the CHOICES program funded through SPRANS set-aside funding.

Healthy Start

The bill does not include funding for the Healthy Start infant mortality initiative, which is \$92,816,000 below the 1996 level and \$74,838,000 below the Administration request. Healthy Start was intended to be a five-year demonstration program to reduce infant mortality in 22 urban and rural communities. The President's budget at the time described Healthy Start as a "highly focused effort to dramatically reduce the infant mortality rate by 50 percent *within five years*." It never was authorized as a separate program and operates under section 301 of the Public Health Service Act demonstration authority. The demonstration has received \$460 million since 1991, with its fifth year of funding completed in fiscal year 1996. It was intended to test new ideas that could then be disseminated to other parts of the country and supported by State and local governments; it was not intended to support on-going services on a permanent basis. To the extent that the demonstration has identified useful approaches to reduce infant mortality, they can now be replicated with MCH block grant or social services block grant funding. The Committee encourages HRSA to begin to develop a strategic plan that would permit the nation to capitalize on the lessons learned from this project, and to report to the Committee on the status of the effort during next year's hearings.

Organ transplantation

The Committee includes \$2,400,000 for organ transplantation activities in 1997, which is \$331,000 above the 1996 appropriation and \$104,000 above the Administration request. The program supports a scientific registry of organ transplant recipients; the National Organ Procurement and Transplantation Network, which matches organ donors with potential recipients; and grants and contracts with public and private non-profit organizations to promote and improve organ donations. The Committee notes that the contractor for the network and the registry receives almost \$11

million in patient registration fees that are financed by Medicare and third party payers. The Committee requests HRSA to submit a plan to the Committee prior to the 1998 appropriations hearings identifying how the organ transplantation program can move toward financial self-sufficiency within a five-year timeframe.

Health teaching facilities interest subsidies

The Committee provides \$297,000 for facilities interest subsidies, which is the same as the Administration request and \$114,000 below the 1996 appropriation. This program continues support of interest subsidies and loan guarantees for three loans for construction of health professions teaching facilities under a now discontinued Public Health Service Act authority. The remaining Federal commitment on these loans will expire in the year 2004.

Bone marrow program

The Committee provides \$15,272,000 for the bone marrow program, which is \$60,000 below the Administration request and the same as the 1996 appropriation. In addition to funding from HRSA, in 1997, the National Marrow Donor Program is expected to receive more than \$23 million from the U.S. Navy and almost \$44 million from other sources. Funds are used for donor medical costs, donor centers, tissue typing, research, minority recruitment, and program administration. The registry is run by contract.

The Committee is pleased that the National Bone Marrow Registry is increasingly meeting the needs of a significant proportion of those in need of allogenic bone marrow transplants. In addition, the bone marrow program is continuing to increase the size and diversity of the registry of potential donors. Continued progress is critical to improving the chances of finding a matched marrow donor for patients of all races and ethnic heritage.

Rural outreach grants

The bill includes \$4,000,000 for rural outreach grants, which is \$23,797,000 below the 1996 appropriation and \$26,254,000 below the Administration request. The funds provided will support the continuation costs of grants funded in 1996 and earlier years. The program supports projects that provide health services to rural populations not currently receiving them and that enhance access to existing services. The program has been funded as a demonstration with no specific authorization since 1991, with total funding of \$146 million over that time. States could choose to use funding from the large health and social services block grants supported in the bill to initiate new demonstration grants.

Emergency medical services for children

The Committee has provided \$12,500,000 for emergency medical services for children, which is \$1,745,000 above the 1996 level. The Administration proposed consolidating this activity into an emergency medical services cluster. The program supports demonstration grants for the delivery of emergency medical services to acutely ill and seriously injured children.

Black lung clinics

The bill provides \$1,900,000 for black lung clinics, which is \$1,911,000 below the 1996 appropriation. The Administration requested this funding in a consolidated cluster with funding reduced below 1996 levels. This program supports 14 grantees which treat a declining population of coal miners with respiratory and pulmonary impairments. The clinics presently receive more than one-third of their funding from other sources, such as Medicaid and Medicare. Of the 14 grantees, three actually receive community health center funding as well as black lung grants.

Alzheimer's demonstration grants

The Committee provides \$6,000,000 for Alzheimer's demonstration grants, which is \$2,020,000 above the 1996 appropriation. The Administration requested this funding in a consolidated cluster with funding reduced below 1996 levels. The program provides grants to States to help them plan and establish programs to provide health care services to individuals with Alzheimer's disease. Funds are used for respite care and supportive services, clearing-houses, training, and administrative costs for State offices. By law, States are required to match the Federal funding—45 percent of the cost of the program by the third year of the grant.

The Committee is pleased to learn that this program is proving to be an effective catalyst by encouraging an estimated 225 State and local agencies to coordinate and strengthen community services for Alzheimer's patients and their families. Projects have provided outreach to an estimated 4.5 million persons, particularly those living in hard-to-reach rural and inner city communities. The Committee provides a significant increase for the program and encourages HRSA to focus a portion of this effort on testing methods for improving health care delivery to Alzheimer patients by linking projects with other publicly-supported health systems such as community and migrant health centers program.

Payment to Hawaii, treatment of Hansen's Disease

The bill includes \$2,045,000 for the treatment of persons with Hansen's Disease in the State of Hawaii, which is the same as the 1996 appropriation. The Administration requested this funding in a consolidated cluster with funding reduced below 1996 levels. This program, which provides a partial matching payment to the State of Hawaii, dates to the period of Father Damien's facility for sufferers of Hansen's disease (leprosy). That facility now has only 67 residents who live there by choice, and the grounds have been converted to a historical site. Most patients diagnosed with Hansen's disease in Hawaii are now treated in the same manner as new patients on the mainland; their care can be supported through insurance or Medicaid if they are income-eligible and is handled on an out-patient basis. The Committee urges HRSA to develop a plan to grant a stipend option for the residential patients to encourage them to transition out of the facility.

Pacific Basin initiative

The Committee does not provide funding for the Pacific Basin initiative in 1996, which is \$1,200,000 below the 1996 level. The

Administration requested this funding in a consolidated cluster with funding reduced below 1996 levels. 1996 funding for the program was provided only for the continuation costs of health professions training grants. No further continuation costs are projected for 1997. \$16 million has been provided for this program since 1989. Pacific Basin residents can continue to participate in the regular health professions training programs funded by HRSA.

Ryan White AIDS Programs

The bill includes \$812,252,000 Ryan White AIDS programs. This is \$18,437,000 below the amount requested in the President's budget and \$54,850,000 above the 1996 appropriation.

Emergency assistance

The bill includes \$401,700,000 for the Title I emergency assistance program, which is \$22,243,000 below the Administration request and \$10,000,000 above the 1996 appropriation. These funds provide grants to metropolitan areas with very high numbers of AIDS cases for outpatient and ambulatory health and social support services. Half of the amount appropriated is allocated by formula and half is allocated to eligible areas demonstrating additional need through a competitive grant process. No new areas are expected to be eligible for funding under Title I in 1997.

Comprehensive care programs

The Committee provides \$290,847,000 for Title II, comprehensive care programs, which is \$5,893,000 above the Administration request and \$30,000,000 above the 1996 appropriation. The funds provided support formula grants to States for the operation of HIV service delivery consortia in the localities most heavily affected, for the provision of home and community-based care, for continuation of health insurance coverage for infected persons, and for purchase of therapeutic drugs.

The Committee is aware of the great promise of protease inhibitor drugs in the treatment of AIDS, whose purchase is principally financed under Title II, and has included bill language identifying \$75,000,000 specifically for the purchase of AIDS drugs. The 1996 bill designated \$52,000,000 for this purpose. The Committee hopes that, prior to completing action on a conference agreement on this bill, the Administration will have completed a consensus conference on revised standards of care for HIV disease. It is also the Committee's understanding that the Secretary of HHS is considering submitting a supplemental budget request to address the potential shortfall in the drug assistance program for 1997 prior to Congress completing action on this bill.

Early intervention program

The Committee provides \$61,918,000 for Title III-B, the early intervention program, which is \$5,000,000 above the 1996 appropriation and \$2,650,000 below the Administration request. Funds are used for discretionary grants to migrant and community health centers, health care for the homeless grantees, family planning grantees, hemophilia centers and other private non-profit entities that provide comprehensive primary care services to populations

with or at risk for HIV disease. The grantees provide testing, risk reduction counseling, transmission prevention, and clinical care; case management, outreach, and eligibility assistance are optional services. Approximately 125,000 HIV positive persons or persons at high risk for HIV infection are expected to be served in 1996.

Pediatric demonstrations

The bill includes \$34,000,000 for the pediatric AIDS demonstrations authorized under Title IV of the Ryan White C.A.R.E. Act. This is the same as the Administration request and \$5,000,000 above the 1996 level. The program supports demonstration grants to foster collaboration between clinical research institutions and primary community-based medical and social service providers for the target population of HIV-infected children, pregnant women and their families. The projects are intended to increase access to comprehensive care, as well as to voluntary participation in NIH and other clinical trials.

AIDS dental services

The bill includes \$7,500,000 for AIDS dental services, which is \$563,000 above both the President's request and the 1996 level. The program provides grants to dental schools and postdoctoral dental education programs to assist with the cost of providing unreimbursed oral health care to over 73,000 patients with human immunodeficiency virus disease. 123 schools are expected to receive awards in 1996. Dental students and residents participating in this program receive extensive training in the management of oral care of people living with AIDS.

Education and training centers

The bill provides \$16,287,000 for AIDS education and training centers, which is \$4,287,000 above the 1996 appropriation and the same as the Administration request. The centers train health care personnel who care for AIDS patients and develop model education programs. This program was first funded in 1987 and has received \$137 million since its inception.

Family planning

The bill includes \$192,592,000 for the family planning program, which is the same as the 1996 appropriation and \$5,860,000 below the Administration request. The program provides grants to public and private non-profit agencies to support projects which provide a range of family planning and reproductive services, as well as screening for ancillary health problems such as hypertension and diabetes. The program also supports training for providers, an information and education program, and a research program which focuses on family planning service delivery improvements. During 1996, 4.3 million clients were served through a network of over 4,200 clinics funded in part by the family planning program. Almost 60 percent of the clinics are operated by State, county and local health departments.

The bill repeats language from the 1996 appropriations bill making clear that these funds shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that these

funds shall not be used to promote public opposition to or support of any legislative proposal or candidate for public office.

The bill includes language codifying current regulatory requirements pertaining to income guidelines for clients receiving family planning services. It also requires the Secretary of HHS to submit a report to Congress on the impact of the family planning program on a number of health outcome measures, as well as Medicaid and welfare program expenditures.

Rural health research

The Committee has provided \$7,884,000 for rural health research, which is \$1,469,000 below the 1996 appropriation and the same as the Administration request. The activity supports several rural health research centers, the Office for Rural Health Policy's advisory committee, and a telemedicine grant program.

Health care facilities

The Committee has not included funding for health care facilities. \$20,000,000 was provided for this purpose in 1996, and \$2,000,000 was included in the President's 1997 request. This expired authority provides funds to public and private nonprofit entities for construction or modernization of outpatient medical facilities. This activity has not been funded by the Committee on a regular annual basis. The Committee felt that provision of services rather than construction was a higher priority in the current stringent fiscal environment.

Buildings and facilities

\$2,828,000 is provided for buildings and facilities for 1996, which is \$2,087,000 above the 1996 appropriation and \$2,000,000 above the Administration request. These funds are used to finance the repair and upkeep of buildings at the Gillis W. Long Hansen's Disease Center at Carville, Louisiana. The increase is intended to finance one-time renovation costs due to be completed during fiscal year 1997 as part of the agreement to transfer the facility to the State of Louisiana, as described in the Hansen's disease services section of the report.

National practitioner data bank

The Committee does not provide funding for the national practitioner data bank for fiscal year 1996, which is the same as both the 1996 action on appropriations and the Administration request. The Administration request and the Committee recommendation assume that the data bank will be self-supporting, with collections of \$6,000,000 in user fees.

The national data bank receives, stores and disseminates information on paid medical malpractice judgments and settlements, sanctions taken by professional societies, and certain professional review actions. Insurance companies, State license boards and professional societies are required to report information to the data bank within 30 days of each action. The coverage of the data bank includes dentists and physicians, and, with respect to malpractice settlements, other categories of licensed health professionals. Hospitals are required to search the data bank when a health care pro-

vider applies for employment and once every two years thereafter. State licensing boards and other health care entities also have access to the data bank. Traditional bill language is included to ensure that user fees are collected to cover all costs of processing requests and providing such information to data bank users.

Program management

The bill includes \$112,058,000 for the cost of Federal staff and related activities to coordinate, direct and manage the programs of the Health Resources and Services Administration. This amount is the same as the President's request and \$891,000 below the amount provided for fiscal year 1996.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

The Committee provides \$7,000,000 for the Medical Facilities Guarantee and Loan Fund, which is the same as the budget request and \$1,000,000 less than the amount appropriated in 1996. Appropriations are used to pay interest subsidies on loans made or guaranteed prior to fiscal year 1977 for hospital construction. The bill includes language, as in prior years, which prohibits commitments for new loans or loan guarantees in fiscal year 1997.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

The Health Education Assistance Loans (HEAL) program insures loans provided by non-Federal lenders to students in health professions schools. Under the accounting rules established in the Budget Enforcement Act of 1990, one account is maintained to pay the obligations arising from loans guaranteed prior to fiscal year 1992. A second account pays obligations and collects income from premiums on loans guaranteed in fiscal year 1992 and beyond. Each annual cohort of loans is independently tracked in this account.

The Committee provides \$14,481,000 to liquidate 1997 obligations from loans guaranteed prior to 1992, which is the same as the Administration request and \$14,481,000 above the 1996 appropriation.

The Committee provides \$477,000 for the payment of claims arising from the cohort of loans guaranteed in 1997, which is the same as the Administration request and \$351,000 above the 1996 appropriation. The funding provided by the Committee is based on a 1996 loan limitation of \$140,000,000, which is the same as the Administration's proposed level and \$70,000,000 below the 1996 level. The Committee has provided a loan limitation level sufficient to support only the continuation costs of those students currently receiving HEAL loans and intends that the program be phased out as these students complete their studies. As the loan limits on guaranteed student loans administered by the Department of Education have been increased, the need for the HEAL program has declined. In addition, the Secretary of Education has discretionary authority to further increase annual and aggregate loan limits in the unsubsidized Federal Family Education Loan program for specialized training with exceptionally high cost. In addition, health professions students in some disciplines have access to loan funds

sponsored by their professional membership organizations. Since only 20 percent of allopathic medicine students use HEAL loans, while 82 percent borrow funding to complete their education, it is clear that HEAL loans are not a preferred alternative for these students. Likewise, only 32 percent of dental students borrow under HEAL, although 94 percent borrow to finance their education.

The Committee provides \$2,688,000 for HEAL program management, which is \$7,000 below the Administration request and the same as the 1996 appropriation.

VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

The Committee makes available the release of \$59,721,000 from the Vaccine Injury Compensation Trust Fund in 1996, which is the same as both the Administration request and the total of trust fund monies made available in 1996.

The National Vaccine Injury Compensation Program provides a system of compensation for individuals with vaccine-associated injuries or deaths. Funds for claims from vaccines administered on or after October 1, 1988 are generated by a per-dose excise tax on the sale of selected prescribed vaccines. Revenues raised by this tax are maintained in a Vaccine Injury Compensation Trust Fund.

Trust funds made available in the bill will support the liability costs of vaccines administered after September 30, 1988. They will also support the \$3,000,000 in costs incurred by the agency in the operation of the program, which is the same as both the 1996 level and the Administration request.

VACCINE INJURY COMPENSATION

The bill provides \$110,000,000 in general funds for vaccine compensation for claims associated with vaccines administered prior to October 1, 1988. This is the same as both the Administration request and the 1996 appropriation; it is the full authorized amount.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH AND TRAINING

The bill includes \$2,187,018,000 for the Centers for Disease Control and Prevention, which is \$75,102,000 above the 1996 level and \$52,240,000 below the Administration request. The Centers for Disease Control and Prevention (CDC) assists State and local health authorities and other health-related organizations in controlling the spread of infectious diseases, reducing chronic diseases, providing protection from environmental and workplace hazards, and reducing risk factors, such as smoking and high blood pressure.

Despite fiscal constraints, the Committee made the choices necessary throughout the bill to provide increased resources for a number of prevention programs, believing investment in this area is a high priority. As a result, increases above the 1996 level are included for the prevention health services block grant, AIDS prevention and education, chronic and environmental disease prevention, breast and cervical cancer screening, infectious disease, lead poisoning prevention, and crime bill activities.

Preventive health and health services block grant

The Committee recommends \$157,000,000 for the preventive health and health services block grant, which is \$11,771,000 above both the amount requested and the 1996 level. This program provides States with funds for programs addressing any of the Healthy People 2000 objectives, rodent control, community and school-based fluoridation programs, emergency medical services, and prevention of sex offenses. By statute, the first \$7,000,000 appropriated for the block grant is designated for rape prevention and rape services. Because the block grant is available to all States and permits them broad flexibility to address those health needs they believe are most acute in their own communities, the Committee felt it was important to restore funding to fiscal year 1995 levels.

Prevention centers

The Committee recommends \$7,106,000 for prevention centers, which is the same as the Administration request and \$993,000 below the 1996 appropriation. Grants are made to academic institutions to operate centers which conduct applied research to promote health and disease prevention. These centers have been funded since 1986 with a total of \$48.6 million.

Childhood immunization

The bill includes \$467,890,000 for the childhood immunization program, which is the same as the 1996 amount and \$20,003,000 below the Administration request. In addition, the Vaccines for Children (VFC) program funded by Medicaid is expected to support \$524 million in vaccine purchase and distribution in 1997, an increase of \$114 million over 1996.

Project grants assist State and local agencies in planning, developing, and conducting childhood immunization programs, including enhancement of the vaccine delivery infrastructure, and in delivering vaccines. National activities include maintenance of a stockpile of vaccines; the consolidated purchase of vaccines for State and local health agencies; surveillance and investigations; and research into the safety and efficacy of new and presently used vaccines.

Within the total provided for immunization activities the Committee intends that the full amount of the President's request for polio eradication be provided. The Committee recognizes the remarkable success that has been made toward eradicating polio and the potential for eliminating this disease by the year 2000. The Committee commends CDC for its active leadership in this effort. Achieving the goal of eradication will mean tremendous savings in human and financial costs. In the United States alone, savings of \$230,000,000 will accrue on an annual basis once the disease is eradicated and the need for immunization is eliminated. The Committee believes that the increased funding for polio eradication can be made available through a reduction in the President's request for grants to States for infrastructure development and vaccine purchase. Funding for these activities has been substantially increased in the past few years, and the Committee has been disturbed by reports of large amounts of funds from prior years remaining unspent at the State level. In addition, States have access to the entitlement Vaccines for Children program for the purchase

of vaccines; estimates of State participation in that program have dropped below projected levels for fiscal year 1996, indicating that perhaps State demand is not as strong in that program as well.

Human Immunodeficiency Virus

The bill includes \$599,080,000 for activities related to the human immunodeficiency virus (HIV). This amount is \$15,000,000 above the 1996 level and \$17,901,000 below the Administration's request. The CDC HIV programs support research, surveillance, epidemiologic and laboratory studies, and prevention through information, education, and risk reduction. Major information, education and prevention activities include counseling, testing, and partner notification; HIV prevention among high risk populations, including intravenous drug users, women and infants, and hemophiliacs; special minority initiatives; programs for school and college-aged youth; information campaigns for the general public; and tuberculosis control efforts. CDC provides funds to State and local health departments to develop and implement integrated community prevention plans. The planning process assesses unmet needs and sets priorities among them, coordinates services among various types of community providers, reduces duplication and encourages the conduct of program evaluations.

The Committee encourages CDC to direct additional resources to cooperative agreements with State and local health departments to meet the gaps identified in community-based HIV prevention programs. The Committee commends the CDC for its commitment to process evaluation of the implementation of community planning for HIV prevention programs and supports CDC's plans to move to more outcome evaluation of the programs funded at the local level. This effort to improve evaluation will require allocation of funds at the State and local level for evaluation and training.

In addition, CDC should work to strengthen the effectiveness of community-based HIV prevention interventions through stronger collaboration with the prevention research activities at the National Institutes of Health (NIH). In addition to efforts to enhance capacity and expertise at CDC in areas of applied behavioral research and program evaluation, CDC is strongly encouraged to work with NIH to develop systems to transfer findings regarding effective interventions to providers of prevention services.

The Committee is concerned by recent reports that CDC may be supporting non-health-related activities with its prevention funding. The Committee reiterates the concerns it expressed last year regarding the use of Federal funds for advocacy purposes, whether the advocacy relates to public policy, lifestyle choices, Federal funding, or election outcomes.

Tuberculosis

The Committee has included \$119,303,000 for the tuberculosis (TB) program, the same as the 1996 appropriation. The Administration proposed to consolidate these activities into an STD/TB partnership grant. In addition to funding provided in this line item, CDC AIDS activities support HIV-related tuberculosis control efforts. The tuberculosis program supports grants to States and large cities. Funds are used to hire outreach workers who provide di-

rectly-observed therapy, to support local surveillance, and to conduct screening of high-risk populations. In addition, funds support research to develop new prevention, diagnostic, and treatment technologies; assistance to upgrade State and local laboratories; epidemiological investigations; and educational and training activities.

The Committee continues to be concerned about the resurgence of tuberculosis and the problems related to multi-drug resistant TB. CDC is encouraged to continue its efforts outlined in the National Plan for the Elimination of Multi-Drug Resistant Tuberculosis and to continue outreach activities, such as directly observed therapy, supported by the tuberculosis grant program.

The Committee notes the number of TB cases in the U.S. among the foreign born and globally. The Committee commends CDC for working with the U.S. Agency for International Development to develop a joint plan for collaboration that outlines specific initiatives that could take place to combat TB globally, and further recommends that CDC work with the USAID as they expand their effort beyond the three foreign countries that contribute most heavily to the cases of foreign born TB in the U.S.

Sexually transmitted diseases

The Committee recommends \$105,299,000 for sexually transmitted diseases (STDs), the same as the 1996 appropriation. The Administration proposed to consolidate these activities into an STD/TB partnership grant. The Committee has provided full funding for the Tuskegee reimbursement program. Grants are awarded to State and local health departments and other nonprofit entities to support primary prevention activities, surveillance systems, screening programs, partner notification and counseling, outbreak control, and clinical skills training. Federal activities include technical assistance, special investigations, and surveillance and epidemiologic research. The infertility program conducts chlamydia testing in family planning and STD clinics in an effort to prevent STD-related infertility. The Committee encourages CDC to target a share of its STD efforts to the band of southern States that form what has been called the "syphilis belt."

Chronic and environmental disease prevention

The bill includes \$155,000,000 for chronic and environmental disease prevention, an increase of \$11,256,000 above the 1996 amount. The Administration proposed to consolidate these activities into a chronic disease partnership grant. The chronic and environmental disease program supports surveillance, epidemiology, and laboratory evaluation of environmental exposures and resulting illnesses, chronic disease, behavioral risk factors, and injuries. It also supports applied research to develop control and prevention programs; provision of epidemiologic, laboratory, and management consultation and training services to State and local health professionals; and development of laboratory techniques to test for the presence of hazardous substances in human tissues and the effects of exposure to environmental hazards.

Programs supported within this activity include the behavioral risk factor surveillance system; cancer registries; the community health promotion program; smoking cessation; health education for

school and college-age youth; and efforts against diabetes, cancer, cardiovascular disease, birth defects, disabilities, chronic fatigue syndrome, and fetal alcohol syndrome.

The Committee has provided an increase in this program to permit increased funding for a number of initiatives: the effort to expand the number of comprehensive State diabetes control programs; the colorectal screening program; the cancer registries program; and an effort described below to provide rehabilitation service information to those who have suffered limb loss.

The Committee encourages CDC to continue its cardiovascular disease prevention and control program. The Committee understands this program includes a national communications plan to educate the public about cardiovascular diseases prevention, tracking and monitoring of disease rates and risk factors and assistance to States to implement community-based programs promoting physical activity and healthy diet.

The Committee urges CDC to intensify its efforts to prevent spina bifida and anencephaly through promotion of increased consumption of folic acid among women of reproductive age. CDC is encouraged to support research regarding how to increase consumption, population-based health communication activities and evaluation.

The Committee notes the work of the CDC, the National Institute of Child Health and Human Development and the Health Resources and Services Administration in developing a model guideline for death scene protocol for sudden infant death syndrome. The Committee encourages continued development and publication of these guidelines.

The Committee is aware of the success of persons with limb loss in returning to the workplace following traumatic amputation surgery and acknowledges the important role access to rehabilitation information and services play in the amputation rehabilitation process. Existing information sources, however, are not equipped to handle the increasing demand for these services. The Committee encourages CDC to support on a competitive basis information dissemination and public education activities to provide amputees with improved information regarding their rehabilitation services and options.

The Committee encourages CDC to enhance its chronic fatigue and immune dysfunction syndrome (CFIDS) surveillance projects to include outreach to populations not formerly recognized as being affected by CFIDS, namely minority populations and children and adolescents. The Committee encourages CDC to consider conducting education programs for health care providers and commencing a series of studies on rates of CFIDS among health care workers, family members of CFIDS patients and pregnant women with CFIDS.

CDC has initiated an effort to advance early intervention in epilepsy, a chronic neurological condition afflicting 2.5 million people in the U.S. The Committee understands that CDC, working with national physician and patient organizations in epilepsy, is planning a consensus conference on effective epilepsy treatment and on development of patient-based evaluation of treatment. This patient-based approach is vitally needed, particularly because this condi-

tion, which is often misdiagnosed and inappropriately treated, can be effectively managed with early and medically appropriate intervention. The Committee urges the CDC to continue its efforts in this area.

The Committee is aware that the CDC has moved the oral health activities from Division status to program status. It is the Committee's understanding that this restructuring occurred because there were insufficient base resources for oral health activities to justify Division status and was not indicative of decreased support for oral health activities. The Committee recognizes the contribution of oral health to overall health status and the significant health care expenditures directed to oral conditions that are largely preventable through proven prevention practices i.e., water fluoridation and dental sealants. The Committee has every expectation that the dental program will be reinstated as a Division in fiscal year 1997. The Committee expects the Division to focus its efforts on decreasing the incidence of dental caries among children and adults in targeted populations, educating dentists on critical infection control practices to ensure the safety of the public and dental personnel, improving surveillance of oral diseases and associated expenditures and continuing scientific leadership on oral health issues.

Breast and cervical cancer screening

The Committee has included \$134,670,000 for the breast and cervical cancer screening program, which is \$10,000,000 above the 1996 level. The Administration proposed to consolidate these activities into a chronic disease partnership grant. The breast and cervical cancer screening program supports screening, education, and followup services for low-income women, training for health care providers, quality assurance activities, national technical assistance and support, and surveillance and program evaluation.

The Committee commends the CDC for utilizing funding for the breast and cervical cancer prevention program to continue to build programs nationwide, and to develop programs consistently from State to State that include minimum standards for participating States. Continued priority for breast cancer screening should be given to postmenopausal, low-income, underinsured and uninsured women, and those women at high risk of breast cancer.

Infectious diseases

The bill includes \$82,153,000 for infectious diseases, which is \$20,000,000 above the 1996 level and \$5,667,000 below the Administration request. The Committee strongly supports this core function of the agency and is aware of the continuing threats of new and reemerging infectious diseases. The program supports national surveillance of infectious diseases, the development of new or improved prevention and control methods and techniques, the acceleration of the general application of accepted prevention technologies, and strengthening of the capability to respond to outbreaks of new and reemerging infectious diseases. Some of the disease areas concentrated upon include Lyme Disease, drug resistant microorganisms, infectious diseases in child care settings, foodborne diseases, hospital infections, hantavirus, and pneumococcal disease.

Infectious diseases are appearing or reappearing in the United States with increasing incidence. The 1992 Institute of Medicine (IOM) report made clear that the U.S. is unprepared to monitor traditional infectious diseases and new and emerging infectious diseases. In response to the IOM report, the CDC has developed a strategy which consists of four major goals for revitalizing the U.S. ability to identify, contain, and prevent emerging diseases: (1) surveillance; (2) applied research; (3) prevention and control; and (4) developing infrastructure. The Committee encourages CDC to use a portion of the resources provided to address the infrastructure component of its plan. The deterioration of local, State and Federal health laboratories has handicapped effective disease surveillance efforts. Diagnostic laboratory capabilities are in need of upgrading to meet the challenge of emerging infectious diseases.

The Committee remains committed to ensuring that the Public Health Service (PHS) takes all necessary steps to protect the safety of the U.S. blood supply and blood products. Within the resources provided for infectious diseases, the Committee encourages CDC to allocate additional funding for a comprehensive blood safety surveillance effort. The Committee suggests that the effort include: (a) active surveillance, including a serum bank, to detect adverse effects among blood product recipients; (b) patient-related outreach activities; and (c) collaborative efforts with other PHS agencies and private foundations to address continuing concerns about possible viral or pathogenic contamination in the blood supply.

The Committee notes that historically minority health professions institutions are developing an emerging capability in the area of pharmacological approaches to controlling infectious disease and in toxicology. CDC is encouraged to work closely with these institutions, which focus on vulnerable populations when implementing its plan to address emerging infectious disease threats.

The Committee encourages CDC to support competitively awarded demonstration projects to establish models to improve surveillance, prevention, and control of hospital acquired infections and drug resistance; to assess the efficacy of these interventions; and to develop training approaches.

The Committee encourages CDC to assist States in their public health education and surveillance activities to prevent the spread of rabies.

The Committee is aware that last year the CDC increased its estimate of the number of people infected with hepatitis C by 11%, now totaling 3.9 million people, and therefore urges that hepatitis C be incorporated into CDC's emerging infectious disease efforts. Additionally, since at least one-third of the people infected with hepatitis B and C have no known risk factors, the Committee encourages CDC to conduct further epidemiological studies to better identify the causes of these diseases.

The Committee encourages the CDC to enhance its efforts to investigate the outbreak of chronic pulmonary hemorrhage and hemosiderosis, and develop a preventative and control initiative to address this serious public health problem.

The Committee encourages CDC to participate in a trans-Department public education campaign on *H. pylori* eradication.

Lead poisoning prevention

The bill includes an appropriation of \$38,188,000 for the childhood lead poisoning prevention program. This is \$2,000,000 above both the 1996 level and the Administration request. The program supports grants to States and localities for screening, followup, and education; laboratory proficiency activities; the development of better instruments for blood lead measurement; epidemiologic activities; and surveillance.

The average blood lead level for persons in the U.S. has dropped 78 percent from 1976 to 1991. However, about 1.7 million U.S. children continue to have elevated blood lead levels. The prevalence of elevated blood lead levels in black children living in large inner cities is around 36 percent. The Committee urges CDC to make further efforts to target the program to those areas with the greatest level of need.

The Committee commends CDC for its support of the continued development of more effective and portable blood lead hand screening tools, and for supporting the development of screening kits for professionals to use in the field that will allow an almost immediate reading, making possible immediate intervention and treatment.

Injury control

The Committee has included \$40,598,000 for the injury control program, which is \$2,600,000 below both the 1996 level and the Administration request. The injury control program supports intramural research to identify risk factors and interventions to prevent morbidity, mortality, and disability resulting from injury and trauma outside the workplace; injury control research centers; extramural research project grants; and technical assistance to State and local health departments. The program focuses on motor vehicle crashes, falls, fires and burns, poisoning, drowning, and violence, including homicide, suicide and domestic violence.

The bill contains a limitation to prohibit the National Center for Injury Prevention and Control at the Centers for Disease Control from engaging in any activities to advocate or promote gun control. The CDC may need to collect data on the incidence of gun related violence, but the Committee does not believe that it is the role of the CDC to advocate or promote policies to advance gun control initiatives, or to discourage responsible private gun ownership. The Committee expects research in this area to be objective and grants to be awarded through an impartial peer review process.

With respect to injury in the U.S., the Committee encourages the CDC to work with the Institute of Medicine (IOM) to convene a study to (1) reassess and characterize the problem of injury in the U.S.; (2) describe, assess, and evaluate the response of public and private agencies, especially the CDC National Center for Injury Prevention and Control, to the recommendations of IOM's *Injury in America* and subsequent reports; and (3) make recommendations intended to further develop the field and to reduce the burden of injury in the U.S. The Committee encourages IOM to ensure that this review is multidisciplinary, comprised of scientists and public representatives representing a wide variety of disciplines and per-

spectives. The Committee requests CDC to report on the status of this initiative during the 1998 appropriations hearings.

Every year, over 3,500 Americans lose their lives in residential fires and another 60,000 are hospitalized for burns. Many of these injuries and deaths can be prevented through the use of properly placed and functioning smoke detectors. For example, a CDC-sponsored smoke detector project in a low-income area of Oklahoma City decreased burn-related injuries by 83% at a time when the rate in the rest of the city rose 33%; at least 32 injuries and deaths were prevented. The Committee encourages CDC to enhance its program to reduce injuries and deaths from residential fires. CDC's objectives are to establish and evaluate projects in States with the highest rates of residential fire deaths, to provide technical assistance in preventing residential fire deaths, and to address questions that will advance our knowledge of how to prevent residential fire deaths.

The Committee recognizes CDC's leadership and important work to gather and analyze information on youth violence, to develop and test prevention strategies, and to evaluate different ways of implementing these interventions. The Committee recognizes that suicide and suicidal behavior have become a major public health problem in the United States. The Committee recommends that CDC extend its youth violence prevention efforts to evaluate promising interventions and prevention strategies, and disseminate information to communities about the magnitude, causes, and prevention of injuries resulting from suicide and suicidal behavior.

The Committee recommends that the CDC consider funding domestic violence intervention programs within substance abuse treatment centers serving female clients.

Occupational safety and health

The bill includes \$128,623,000 for the National Institute for Occupational Safety and Health (NIOSH), which is \$7,961,000 below the Administration request and the same as the 1996 level. NIOSH conducts applied research, develops criteria for occupational safety and health standards, and provides technical services to government, labor and industry, including training for the prevention of work-related diseases and injuries. Activities supported include surveillance, health hazard evaluations, intramural and extramural research, instrument and methods development, dissemination, and training grants.

Mine safety and health

The Committee does not provide funding for mine safety and health, which the Administration proposes to transfer from the Department of Energy at a funding level of \$32,000,000. When the Bureau of Mines was dismantled last year, its mine safety research functions were transferred to the Department of Energy. Without seeking input from the Appropriations Subcommittee having jurisdiction over NIOSH, the conference report on the 1996 omnibus spending bill urged the Administration to transfer these functions to NIOSH. The Committee has heard from parties both opposed to and supportive of such a transfer, and makes no judgments on its merits. However, the Committee is reluctant at this time to allo-

cate scarce resources to this activity. The ultimate source of 1997 funding for the mine safety research program will need to be determined in the context of conference on the two appropriations bills involved.

Epidemic services

The bill provides \$67,413,000 for epidemic services, which is \$3,000 above the 1996 level and the same as the budget request. The objectives of the program include the prevention and control of epidemics, the maintenance of surveillance systems, the training of public health epidemiologists, and the operation of the quarantine program. The program supports the Epidemic Intelligence Service program, the publication of the Morbidity and Mortality Weekly Report, and a variety of infant and minority health programs.

The Committee encourages CDC to support multi-disciplinary, collaborative efforts in health sciences and other relevant disciplines to examine the various aspects of risk assessment. These efforts would identify individuals and groups that are at risk for specific adverse conditions, including genetic risks, assess the manifestations of the risks, and develop interventions to address such risks.

National Center for Health Statistics

The bill includes \$40,063,000 in Federal funds for the National Center for Health Statistics (NCHS), which is \$2,665,000 above the 1996 level and \$4,663,000 above the request. In addition to the amount appropriated, the bill makes available \$48,400,000 from the Public Health Service one percent evaluation set-aside, which is \$4,663,000 below the amount requested by the Administration and \$8,337,000 above the 1996 set-aside amount. Taking into account funds from all sources, the Committee makes available \$88,463,000 for NCHS, the same as the budget request and \$11,002,000 above the 1996 level. The Center is responsible for collecting, interpreting, and disseminating data on the health status of the U.S. population and the use of health services. Among the surveys supported are the National Vital Statistics System, the National Health Interview Survey, the National Survey of Family Growth, the National Health and Nutrition Examination Survey, and the National Health Care Survey. The Committee has provided a funding increase to NCHS to support the cyclical costs associated with the National Health and Nutrition Examination Survey, which provides direct standardized measurements of physical and nutritional status of a large sample of subjects.

Because of advances in medical science and rehabilitation technology, persons with limb loss are now among the most effectively and efficiently mainstreamed of all persons with disabilities. One of the major obstacles impeding further progress in improving outcomes for persons with limb loss, however, is the lack of sound epidemiological studies and demographic data. Information on the number of persons who are missing limbs is highly unreliable. The Committee encourages the NCHS to incorporate into its study designs where possible methodologies to determine such issues as the numbers of persons with limb loss by anatomic description, cause, and use of adaptive and prosthetic devices.

The Committee also understands that little national data exists on the frequency of the practice of electroconvulsive therapy, especially among patients involuntarily committed to psychiatric facilities. The Committee encourages NCHS to incorporate into its study designs where possible methodologies to determine such issues as the number of individuals receiving electroconvulsive therapy and the number of associated mortalities.

Buildings and facilities

The bill includes \$8,353,000 for buildings and facilities, which is the same as the Administration request and \$4,000,000 above the 1996 appropriation. Funding supports ongoing maintenance projects, as well as safety repairs and equipment purchases. The Committee has provided an increase in funding in recognition of the fact that CDC faces some acute renovation needs, particularly in its laboratory facilities.

Program management

The bill includes \$2,637,000 for program management, which is the same as both the budget request and the amount appropriated in 1996. This activity supports the overall planning, direction, and administration of the programs and activities of the Centers for Disease Control and Prevention. Only a small portion of the total CDC administrative costs are captured in this line item; according to the budget justification, agency administrative costs in 1997 will total \$488.8 million.

The Committee continues to be pleased with CDC's program activity and commitment to improving the health status of minority and disadvantaged individuals, and urges continued expansion of these efforts.

The Committee commends the Director's efforts to promote behavioral and social sciences research at CDC and for creating the position of Assistant Director for Behavioral and Social Sciences. The Committee believes that such research is integral to the CDC mission and requests the Director to provide a status report on CDC's activities relating to behavioral and social sciences research during the 1998 appropriations hearings.

Crime bill activities

The bill includes \$33,642,000 for crime bill activities, which is \$2,000,000 above both the President's original request and the 1996 level. These activities are funded through the Crime Bill trust fund. \$28,642,000 is provided for rape prevention and services; \$5,000,000 is provided for community programs to prevent domestic violence. No further funding is provided for a study of the incidence of domestic violence, since it was a one-time expenditure in 1996.

The \$28,642,000 for rape prevention and services will be used by States to support rape crisis hotlines, victim counseling, professional training of police officers and investigators, educational programs in colleges and secondary schools, and offender rehabilitation. The Committee urges CDC to ensure that States receiving funds from the grants for assistance to victims of sexual assault, as provided by the Violence Against Women Act, support State coa-

litions and community-based rape crisis centers whose work is focused on ending sexual violence, operating hotlines for victims of sexual violence and their families, and those which provide crisis intervention, advocacy, and self-help services to victims. The Committee also urges that similar non-governmental nonprofit agencies show a demonstrated effectiveness in carrying out work achieving these goals in order to receive funds. In addition, the Committee urges that CDC ensure that the States, pursuant to targeting education programs as required by the Violence Against Women Act, use at least 25 percent of the State's allocation for rape prevention and education for middle, junior and high school aged youth in both school and nonschool based settings.

The \$5,000,000 for community programs on domestic violence will provide funding for public and private non-profit organizations to coordinate intervention and prevention strategies in the area of family violence and to develop an integrated community plan of action to prevent family violence.

NATIONAL INSTITUTES OF HEALTH

The bill includes \$12,747,203,000 for the 23 appropriations which together fund the programs of the National Institutes of Health (NIH). These include appropriations for the 17 research Institutes, the National Center for Research Resources, the National Center for Human Genome Research, the John E. Fogarty International Center, the National Library of Medicine, the Office of the Director, and Buildings and Facilities. The total in the bill is \$370,642,000 above the President's budget request for 1997 and \$819,641,000, or 6.9 percent, above the comparable appropriations for fiscal year 1996. This funding level provides a 6.5 percent increase in total for the components of NIH excluding the buildings and facilities account. Buildings and facilities receives a 37 percent increase because \$90,000,000 is provided for the first year costs of constructing the new clinical research center. The Committee feels a dual responsibility to support both extramural research and the construction of the clinical center and anticipates that all the research mechanisms and areas that the NIH supports will share in the increases provided. The Committee further expects that the increase provided will be allocated to science rather than administrative costs.

Setting priorities.—The Committee views NIH as one of its very highest priorities and has made difficult resource allocation decisions throughout the bill to preserve what it believes is the minimum necessary funding level for NIH. NIH is the world's leading biomedical research institution; its investments in research save lives and reduce health care costs while creating jobs and economic growth in a global economy. In recent years, this research has produced major advances in the treatment of cancer, heart disease, diabetes, and mental illness that have helped thousands of American families. NIH supports over 50,000 scientists at 1,700 universities and research institutes across the U.S. NIH research has spawned the biotechnology revolution, whose products are projected to grow into a \$50 billion industry by the turn of the century. The U.S.'s ability to translate scientific discoveries into new product development has resulted in its lead over Europe and Japan in pharma-

ceutical and biotechnology patents. While the Committee is firm in its commitment to deficit reduction, it believes that funding of biomedical research is an important investment in the future health and economic well-being of our nation.

Balance in the research portfolio.—The Committee believes that NIH should distribute funding on the basis of scientific opportunity. As a result, the Committee has allocated the Institute appropriations consistent with the distribution recommended by NIH and reflecting the Director's judgment of scientific opportunity. If NIH believes that adjustments to this allocation are necessary as the 1997 appropriations bill moves through the legislative cycle, the Committee would be pleased to consider them in later action on the bill.

To enhance NIH's flexibility to allocate funding based on scientific opportunity, the Committee has attempted to minimize the amount of direction provided in the report accompanying the bill. For example, there are no directives to fund particular research mechanisms, such as centers or requests for applications.

In stating that scientific opportunity should be the basis for allocating research funding, the Committee understands that other factors are also relevant to NIH's decisions, including such considerations as the infectious nature of a disease, the number of cases and deaths associated with a particular disease, the Federal and other costs of treating a disease, the years of productive life lost due to a particular disease, and the estimated proximity to research breakthroughs. The Committee does not presume to judge which criteria should take precedence in individual funding decisions, but urges NIH to consider the full array of relevant criteria as it constructs its research portfolio. Prior to the fiscal year 1998 appropriations hearings, the Committee requests NIH to report in detail the process it uses to distribute funding and the rationale for the criteria used in decision-making. The Committee also requests NIH to update the report submitted to the Senate Appropriations Committee, "Disease-Specific Estimates of Direct and Indirect Costs of Illness and NIH Support," and submit it to the House Appropriations Committee by December 31, 1996.

AIDS Funding.—Consistent with the philosophy outlined above, the Committee has again chosen not to earmark a specific dollar amount for AIDS research and has not provided a single appropriation for the Office of AIDS Research. In relying on NIH's recommendations for the allocation of the total funding provided by the Committee, the Committee understands that it would be NIH's intent to allocate AIDS funding in the following manner:

<i>Institute</i>	<i>1997 AIDS Funding</i>
Cancer Institute	\$224,346,000
Heart, Lung and Blood Institute	61,411,000
Institute of Dental Research	12,895,000
Institute of Diabetes, Digestive and Kidney Diseases	12,682,000
Institute of Neurological Disorders and Stroke	24,775,000
Institute of Allergy and Infectious Diseases	646,378,000
Institute of General Medical Sciences	27,616,000
Institute of Child Health and Human Development	64,186,000
Eye Institute	9,429,000
Institute on Environmental Health Sciences	6,471,000
Institute on Aging	1,849,000
Institute of Arthritis, Musculoskeletal and Skin Diseases	4,261,000

<i>Institute</i>	<i>1997 AIDS Funding</i>
Institute on Deafness and Other Communication Disorders	1,815,000
Institute of Mental Health	97,176,000
Institute on Drug Abuse	160,900,000
Institute on Alcohol Abuse and Alcoholism	11,025,000
Institute of Nursing Research	5,484,000
Center for Research Resources	73,891,000
Center for Human Genome Research	2,997,000
Fogarty International Center	10,287,000
Library of Medicine	3,355,000
Office of the Director	34,491,000

The Committee anticipates that this allocation may change as NIH reviews and implements the detailed committee reports from the Levine panel review of the NIH AIDS research program.

The Committee intends that the funds allocated for AIDS should be spent in a manner fully consistent with the AIDS research plan developed by the Office of AIDS Research and expects the Director of NIH to use the full authority of his office to ensure that this occurs. The Committee has provided the Director of the Office of AIDS Research, jointly with the Director of NIH, transfer authority to reallocate up to three percent of funds designated for AIDS research among Institutes, subject to normal reprogramming procedures. The Committee encourages NIH to use this authority whenever it believes that an adjustment in the allocation of AIDS funding between Institutes is appropriate to achieve scientific objectives or to facilitate promising research efforts.

The Committee wants to make clear that it continues to support the Office of AIDS Research (OAR), its leadership, and its coordinated budget planning process and that it expects the individual institutes, centers and divisions to fully cooperate with OAR's work. The Committee has provided funding for the OAR within the Office of the Director and intends that the OAR will maintain its current structure and responsibilities, including the allocation of an emergency discretionary fund.

Opportunities for new investigators.—The Committee understands that NIH would intend to use a portion of the funding increase to provide forward funding for a select group of first-time applicants for investigator-initiated research project grants (R-29s) and first-time RO1 investigators. In the case of R-29 awards, the full five years of support would be provided; first-time RO1 awards would be provided the recommended period of support. The Committee applauds NIH's plan, recognizing that it would provide a much-needed boost to the next generation of researchers, who face daunting competition for research funding. It would also insulate them from year-to-year fluctuations in grant support. The Committee will watch this experiment with interest to see if it has broader applicability for other components of the grant pool.

Advanced instrumentation.—The Committee understands that NIH would intend to use a portion of the increase provided for developmental and advanced instrumentation to support research grants throughout all grant mechanisms. This initiative would include development of and support for the purchase of novel imaging technologies for diagnosis, therapy and for the study of cell and structural biology; telemedicine and shared instrumentation programs; and computerized information systems for laboratory and clinical research. The Committee is supportive of this NIH initia-

tive and will look forward to learning more about the needs in this area in next year's appropriations hearings.

Small Business Innovation Research grants.—The Committee has heard testimony from the extramural research community and from NIH itself that there are problems with the set-aside for Small Business Innovation Research (SBIR) grants mandated in the Small Business Act. This set-aside is scheduled to increase from 2 to 2.5 percent of extramural grant funding in fiscal year 1997. In order to satisfy the statutory mandate, NIH has been forced to fund SBIR grants whose quality, as measured by peer-reviewed priority scores, is substantially lower than regular peer-reviewed investigator-initiated grants. For example, in fiscal year 1995, while 74 percent of RO1s received a priority score of 149 or less, only 18 percent of SBIR grants received comparably low scores (in the NIH peer review system, the lower the score, the more highly rated the grant). While the Committee is supportive of the SBIR concept and recognizes that it is very useful in some contexts, such as biotechnology and rehabilitation research, it is concerned that the unintended consequence of the statutory set-aside is the funding of some grants that do not meet the same quality standards as other NIH grant mechanisms. Accordingly, the Committee has included general provision bill language requiring that the median grant score of the SBIR pool of grants funded by NIH in an individual grant cycle be equal to or better than the median score of the pool of RO1 grants funded in the same cycle. If the median score of the pool of SBIR grants is higher than the median for the pool of RO1 grants, NIH can reconstruct a smaller pool of SBIR grants to be funded so that the median matches that of the RO1 grant pool. If NIH cannot fund enough SBIR grants meeting this criterion to satisfy the statutory 2.5 percent set-aside, the funding will become available for supporting other extramural grants.

Bridge funding for competitive researchers.—Competition for research funding for investigator-initiated research grants (RO1s) is so acute that many proposals rated as "Outstanding" do not receive funding upon their first review. Scientists are repeatedly forced to submit revised applications until most such outstanding applications eventually receive a score that will permit funding. The consequence of this time-consuming process is that even the best researchers can face a hiatus in support and suffer the waste and inefficiency associated with closing down a productive research project and then restarting it several months later. The Committee encourages the NIH to examine the possibility of providing a modest amount of "bridge funding" to grantees to prevent serious disruptions of productive research programs during the six to twelve months required to revise and resubmit a highly rated but unfunded competitive renewal application. The Committee is pleased that NIH is gathering data from individual institutes about their methods for addressing this need and will host a workshop on this subject in the current calendar year. The Committee urges NIH to bring together NIH representatives and extramural scientists in this workshop to develop a recommendation for providing bridge funding to competitive investigators on an NIH-wide basis. The Committee requests the NIH to submit a report on the workshop's proceedings by January 1, 1997.

Management improvements.—Despite the Committee's wholehearted support of NIH's research efforts, it believes that continued improvements can be made to the management of its research enterprise, both in the administrative operations on the NIH campus and in its funding of extramural grants. The Committee believes that increased efficiencies are important to expand the share of funding actually going to research rather than administration and anticipates that pressures to maximize the share of NIH funding going directly to research will be even greater in coming years.

Definition of NIH administrative costs.—The Committee has been dissatisfied with the definition of administrative costs used by the Department of Health and Human Services for NIH because it includes some of the clearly science, as opposed to administrative, costs associated with the intramural research program. The Committee believes that the definition of administrative costs included in P.L. 99-158 and reported to the authorizing committees is more appropriate for NIH. This definition of administrative expenses "means expenses incurred for the support of activities relevant to the award of grants, contracts, and cooperative agreements and expenses incurred for general administration of the scientific programs and activities of the National Institutes of Health." The Committee intends that the definition in P.L. 99-158 be modified to include in the base comparable expenses for the National Institute of Nursing Research, the Fogarty International Center, the National Library of Medicine, and the clinical center. This new definition should be used as the basis for reporting administrative expenses for NIH as a whole and the individual institutes in the fiscal year 1998 congressional budget justifications and for measuring that administrative expenses in fiscal year 1997 do not exceed those in fiscal year 1996.

NATIONAL CANCER INSTITUTE

The bill includes \$2,385,741,000 for the National Cancer Institute (NCI), an increase of \$104,810,000 over the amount requested and \$137,741,000 over the comparable 1996 appropriation.

Mission.—The NCI conducts and supports basic and applied cancer research in early detection, diagnosis, prevention, treatment and rehabilitation. NCI provides training support for research scientists, clinicians and educators, and maintains a national network of cancer centers, clinical cooperative groups, and community clinical oncology programs, along with cancer prevention and control initiatives and outreach programs to rapidly translate basic research findings into clinical practice.

Balanced research agenda.—The Committee commends the NCI on its effort to support a balanced cancer research agenda—one which includes basic, clinical, and translational research and which includes research in cancer prevention, control, and survivorship. The Committee also believes that, within this balanced approach to cancer research, there should be flexibility in the use of these funds to address high priority initiatives and to fund quality research programs and their applications. For maximal research productivity, funding decisions should be based on scientific opportunities to ensure that investment in scientific endeavors will provide the greatest potential for discovery.

Grants management.—The Committee is encouraged by the Director's decision to increase the number of investigator-initiated grants in 1996. Investigator-initiated grants and other research project grants are at the core of basic research efforts and provide optimal opportunities for research breakthroughs. The Committee encourages the Institute to continue to make these grants a priority in 1997 to exploit research opportunities.

The Committee also commends the Director for his efforts to direct special attention to patient-oriented research grants. The decision to provide a second review of patient oriented grants within 10 points of the payline sends a positive message to the research community.

Under the leadership of its Director, the NCI has made significant progress in streamlining its administration, reducing administrative costs, and redirecting more than \$60 million within its budget to support extramural research. These steps have resulted in a major increase in new, investigator-initiated project research grants which can receive funding. The Committee applauds the Institute and its Director for these efforts, and urges the other Institutes to pursue similar steps.

Cancer coordination.—The report of the National Cancer Advisory Board entitled "Cancer at a Crossroads" outlined that the national cancer program suffered from an absence of a national coordination of cancer fighting efforts in the public, private and voluntary sectors. The Committee concurs with this view and recommends that the NCI continue to take the leadership working in coordination with the CDC and other federal agencies to strengthen coordination of the national cancer program. The Committee expects that other agencies will work with the NCI to facilitate this recommendation. Before hearings on the 1998 budget, the Committee would like a brief report outlining the progress made to accomplish this recommendation.

Breast cancer.—The Committee recognizes that breast cancer continues to require a significant allocation of NCI resources in order to decipher the complex mysteries of this disease. The Committee agrees with NCI, which places breast cancer research as a high priority within the Institute, and understands that significant scientific opportunities exist which are not currently being funded. Therefore, the Committee urges NCI to continue to strengthen its commitment to breast cancer research.

National Action Plan on Breast Cancer.—The Committee encourages the National Cancer Institute to maintain its support for the implementation of the National Action Plan on Breast Cancer (NAPBC). The implementation of the NAPBC should continue to be coordinated by the Office on Women's Health within the Office of the Secretary. This Plan, which unites the efforts of all HHS and other Federal agencies and private sector groups, is an important element in the fight against breast cancer. The Committee also encourages NCI to support the clinical trials related to the early detection of breast cancer initiated in 1996 through the Public Health and Social Services Emergency Fund.

Environmental factors in breast cancer.—Data from the International Agency for Research from 1947 through 1992 found that women in the San Francisco Bay area had the highest rate of

breast cancer in the world. The Committee is concerned that none of the scientists testifying before the Committee has been able to explain whether environmental factors contribute to this finding. The Committee urges the NCI in cooperation with the National Institute of Environmental Health Sciences to work with local researchers and breast cancer groups to find answers to these disturbing questions.

Cancer and minority populations.—While research progress has been made, the Committee remains seriously concerned about this critical public health problem. African Americans and other minorities have a disproportionately higher risk for cancer. The Institute is encouraged to strengthen its research, research training, and outreach efforts which focus on breast, lung, and colorectal cancers, particularly in their impact on minority populations. The NCI is also encouraged to continue its initiatives to study the relationship between diet and cancer in African American women.

Prostate cancer.—More than 314,000 new cases of prostate cancer are expected to be diagnosed in 1996, making it the most commonly diagnosed cancer. Over 41,000 men will die from prostate cancer this year. In particular, the Committee is concerned about prostate cancer among African American males. The Committee urges the NCI to intensify its efforts in this area. A vigorous research effort should be pursued to ascertain why this group is more prone to this type of cancer, and why they have an exceedingly high mortality rate from the disease. Further, since community-based programs focusing on prevention, detection, diagnosis, and treatment have been used successfully to decrease incidence and mortality rates for other cancers, the Committee encourages the NCI to employ this approach in an effort to gain a better understanding of this devastating disease and its effect on this segment of the population.

Gynecologic cancers.—The Committee encourages NCI to continue to enhance its efforts in basic and applied gynecologic cancer research, specifically the implementation of the recommendations from the NIH consensus conference on ovarian and cervical cancer. The Committee hopes that the NCI will, if the Director believes that the mechanism is appropriate, choose to provide funding for gynecologic cancers, specifically ovarian, under SPORE, Specialized Projects of Research Excellence.

HPV and cervical cancer.—A recent NIH consensus conference documented the link between cervical cancer and the sexually transmitted human papillomavirus (HPV). It has been estimated that over 90% of cervical cancer cases result from this infection. The Committee encourages the National Cancer Institute and the National Institute of Allergy and Infectious Diseases to collaborate in sponsoring basic and clinical research on HPV diagnosis and prevention as a risk for cervical cancer, and as applicable, develop screening techniques.

Leukemia.—The treatment of cancer has seen some of its most tangible accomplishments in the treatment of leukemia and related diseases. The rate and duration of remission have improved dramatically in childhood leukemia, Hodgkin's disease, and lymphomas over the last 35 years. This progress is largely the result of research supported by NIH. Future development of new

pharmaceuticals, gene therapy, immunotherapy, and new approaches to stem cell replacement could further advance the remission and cure rate. In order to make further advances in the treatment and cure of these diseases, the Committee urges the National Cancer Institute to consider all special opportunities and creative partnerships with industry, academic institutions and other private health research agencies.

Clinical research.—The Committee continues to be concerned about the status of clinical research coverage in this country. The ability of physician-researchers to conduct clinical investigations and of patients to have access to treatment in the context of clinical trials is threatened by the refusal of third-party payers to cover the costs of routine patient care in such trials. In this regard, the Director of the National Cancer Institute should be commended for negotiating an agreement with the Department of Defense (DoD) that provides appropriate reimbursement for the care provided to patients enrolled in clinical trials. Under the agreement, enrollees in the DoD health care programs may participate in Phase II or Phase III clinical trials that have been approved by NCI, an NCI-funded cancer center or one of NCI's cooperative groups. The Committee understands that NCI is also in the process of negotiating similar agreements with the Department of Veterans Affairs and the Health Care Financing Administration. In negotiating these agreements, the Committee notes that there are other cancer trials funded outside NCI. For example, a number of trials involving leukemia are approved by the Heart, Lung and Blood Institute. The Committee believes that these and other high quality, peer-reviewed mechanisms should also be approved in the VA system and in the Medicare program, as well as in private insurance. The Committee would like to be kept apprised of the negotiations between NCI and other agencies of the Federal government regarding clinical trials coverage and to receive notification of any agreement finalized by NCI.

Neurofibromatosis.—Enormous advances in research on neurofibromatosis (NF) have recently occurred, including discovery of the NF1 and NF2 genes, developing animal models and a diagnostic blood test and pre-natal testing for NF. NF also offers the potential for significant advances in broader areas, like tumor suppressor genes, and for other disorders, such as many of the most common cancers, brain tumors, and learning disabilities. Accordingly, the Committee encourages the National Cancer Institute to continue to pursue an aggressive program in basic and clinical development of NF research, including the use of Requests for Applications, the National Cooperative Drug Discovery Group program, and Small Business Innovation Research grants, as the Institute deems appropriate. The Committee requests that the NCI be prepared to report on the status of its NF research program at its hearings on the fiscal year 1998 budget.

Nutrition research.—NCI continues to be a leader in the nutrition research area. Diet is second only to smoking in its association with cancer. The Committee encourages NCI to continue its leadership in nutrition research, particularly with regard to women's health issues including breast cancer.

H. pylori.—The Committee encourages the Institute to join in the trans-Institute research effort on *H. pylori* infection initiated by the National Institute on Diabetes and Digestive and Kidney Diseases and the Office of Research on Minority Health to explore further the connections between this bacteria and gastric cancer.

Environmental justice.—NCI is encouraged to work with NIEHS in a collaborative effort in the area of environmental hazards and their disproportionate impact on minority populations.

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

The bill includes \$1,438,265,000 for the Heart Lung and Blood Institute (NHLBI), an increase of \$59,595,000 over the amount requested and \$83,319,000 over the comparable 1996 appropriation.

Mission.—The National Heart, Lung, and Blood Institute provides leadership for a national research program in diseases of the heart, blood vessels, lungs, and blood, in transfusion medicine, and in sleep disorders through support of basic, clinical, and population-based and health education research.

Cardiovascular disease.—The Committee recognizes the seriousness of heart attack, stroke and other cardiovascular diseases and is concerned that, despite progress, cardiovascular diseases have remained America's top killer of men and women since 1919 and a major cause of disability. The Committee believes that additional cardiovascular research is needed and encourages the Institute to enhance its research on cardiovascular diseases.

Heart failure.—Heart failure kills more than 45,000 each year and is the leading cause of hospitalization for Americans age 65 and older. Because current treatment only slows the course of the underlying disease, the Committee encourages the Institute to conduct research in cellular and molecular techniques that offer promise for new methods to restore heart function.

Nutrient supplements.—Elevated levels of homocysteine, an amino acid normally found in the body, appears to increase risk of heart attack, stroke, peripheral vascular disease and other cardiovascular diseases. The Committee encourages NHLBI to support research assessing the effects of folic acid, vitamin B6 and vitamin B12 in preventing cardiovascular diseases by reducing homocysteine levels.

Asthma.—Children under the age of 18 and African Americans suffer disproportionately from asthma. Children have a 41 percent higher prevalence of asthma than the general population. African Americans up to age four and from ages 15 to 24 are six times more likely to die from asthma than their caucasian counterparts. Intermediate findings of the NHLBI-sponsored study to develop, implement, and evaluate interventions to control asthma morbidity among African American and Hispanic children suggest that it is possible to develop a pattern of preventive and continuing care for populations which have traditionally been difficult to reach with preventive public health programs. The Committee urges the NHLBI to continue to make minority and children-related asthma research a high priority, and requests the Director to be prepared to provide an update on these efforts at next year's appropriations hearings.

Asthma prevalence, mortality, and hospitalization rates have increased in recent years, and minority populations are disproportionately affected. Although the reasons for the racial disparity are not fully known, access to health care services undoubtedly plays a role. The school setting, therefore, offers an opportunity to assist children who are not reached through the health care system. The Committee encourages the development and evaluation of innovative model school programs to increase identification and appropriate referral of children with uncontrolled asthma, reduce exposure to known allergens and irritants, increase participation of students with asthma in all school activities, improve support to students for following their asthma management plans, and enhance communication between school and home.

Hemophilia.—Last year the Committee called upon NHLBI to strengthen its hemophilia research efforts in gene therapy and in seeking in a cure for this serious bleeding disorder. The Committee also called for a study of the scope of hemophilia vulnerability to blood contaminants and specifically Creutzfeldt-Jakob disease (CDJ). In light of the results of the Institute of Medicine study calling attention to the importance of research support to ensure a safe blood supply, the Committee encourages NHLBI to enhance its hemophilia research activities including the CDJ study. The Committee requests that NHLBI work collaboratively with CDC and FDA to address all hemophilia research, epidemiology, surveillance and patient outreach aspects necessary to ensure maximum safety and integrity of the U.S. blood supply.

Transfusion medicine.—The Committee is pleased that NHLBI plans to establish a network of umbilical cord blood banks and transplant centers. These facilities will provide a resource for research designed to determine whether transplants of stem and progenitor cells from umbilical cord blood are a clinically acceptable alternative therapy for patients suffering from leukemia, aplastic anemia, combined immune deficiency and inborn errors of metabolism. The Institute has also demonstrated its commitment to a safer and more efficacious blood supply by funding three specialized centers of research in transfusion medicine. The Committee encourages the NHLBI to support research initiatives to improve the viability and function of transfused platelets. The Committee is pleased that the NHLBI is supporting the Viral Activation Transfusion Study (VATS) to determine if transfusion hastens the progression of HIV disease. The Committee also encourages the NHLBI to fund transfusion medicine initiatives to understand the basic aspects of immune responses following blood transfusion.

Cooley's anemia.—The Committee continues to support the research efforts of NHLBI in the area of Cooley's anemia. Hepatitis is a major concern of Cooley's anemia patients and the problem warrants further research into hepatitis C and other strains aimed at developing vaccines. The Committee has learned that hormonal therapy as a medical treatment is becoming increasingly necessary for patients who are now living through their teens. The Committee encourages the Institute convene a workshop of experts in the field to develop plans for research into the long term effects of this therapy.

National Center on Sleep Disorders Research.—The Committee notes the continued development of the National Center on Sleep Disorders Research and the expansion of the Center's research portfolio. The Committee is pleased with demonstrated progress in the sleep disorders education campaign. The Committee recommends continued development of a plan for scientific collaboration among the National Center and other NIH Institutes through the implementation of the recently approved National Sleep Disorders Research Plan. The Committee encourages continued development of the National Center's research portfolio as outlined in the National Sleep Disorders Research Plan.

Sarcoidosis.—Sarcoidosis is an inflammatory disease that can lead to scarring of the lung. Although the disease has been recognized for over 100 years, information on its incidence, prevalence, risk factors, and natural history remains limited. Geographic and racial variations in the occurrence of sarcoidosis suggests that it may be caused by environmental factors or a combination of environmental factors and susceptible host. The Committee, therefore, encourages the Institute to explore environmental and genetic causes of sarcoidosis as an essential step toward identifying risk factors and improving treatment and prevention of the disease.

Primary pulmonary hypertension.—Primary pulmonary hypertension (PPH) is a progressive, fatal disease affecting predominantly women—of all ages and races—and involves deadly deterioration of the heart and lungs. The Committee encourages NHLBI to enhance its funding of PPH basic research, gene therapy, and clinical trials of promising pharmaceuticals.

Clinical research.—An impressive array of scientific opportunities in the areas of fibrotic lung disease, asthma, and lung development can be expected to lead to translation of basic science into clinical applications. The Committee recognizes the NHLBI has made significant contributions to clinical research through its Specialized Centers of Research programs. The Committee, therefore, encourages the NHLBI to continue its work in these areas.

Comprehensive research.—In its report accompanying the 1995 appropriations bill, the Committee encouraged the Director of the NHLBI to consider establishing a comprehensive research and demonstration center for heart, blood vessel, lung and blood diseases. The Committee requests an update from the Director regarding the status of this initiative.

Lung reduction surgery.—The Committee is pleased that NHLBI, in conjunction with the Health Care Financing Administration (HCFA), intends to conduct a clinical trial testing the efficacy of various lung reduction surgical procedures. The Committee encourages NHLBI to work with HCFA to ensure that the trial includes the full array of surgical options so that HCFA will have full and complete information on which to base its reimbursement decisions. Some of the surgical options the Committee urges the NHLBI to consider evaluating in the trial include unilateral procedures, bilateral procedures, open-chest procedures, and procedures involving video-assisted thorascopic and low-energy contact laser technology and other laser technologies. The Committee further urges the NHLBI to review the number of patients involved in the trial. Approximately 5,000 individuals received this surgical procedure in

1995, but the trial, as currently designed, contemplates this surgery for only 1,500 individuals over a period of seven years. Further, the Committee urges NIH to consider conducting these trials at sites which have already demonstrated considerable expertise in performing lung reduction surgery.

NATIONAL INSTITUTE OF DENTAL RESEARCH

The bill includes \$195,596,000 for the National Institute of Dental Research (NIDR), an increase of \$8,815,000 over the amount requested and \$12,673,000 over the comparable 1996 appropriation.

Mission.—The NIDR conducts and supports research and research training on the normal development, maintenance, and aging of the oral and craniofacial tissues and the disorders affecting these tissues, including the effects of systemic diseases and disease treatments. Major areas studied include craniofacial birth defects, periodontal diseases, dental caries, bone and joint diseases, chronic pain conditions, oral cancers, autoimmune disorders, infectious diseases, epidemiology, and biomaterials research.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

The bill includes \$819,224,000 for the National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK), an increase of \$34,301,000 over the amount requested and \$48,642,000 over the comparable FY 1996 appropriation.

Mission.—The NIDDK supports research in three major disease categories: diabetes, endocrinology, and metabolic diseases; digestive diseases and nutrition; and kidney, urologic, and hematologic diseases. The NIDDK supports a coordinated program of fundamental and clinical research and demonstration projects relating to the causes, prevention, diagnosis, and treatment of diseases within these categories. The Institute also supports efforts to transfer the knowledge gained from its research program to health professionals, patients, and the general public.

Diabetes.—Diabetes is a leading cause of death by disease in America, contributing to the deaths of more than 160,000 annually. The number of Americans with diabetes has increased by 50 percent since 1983 and has tripled since 1958. The 16 million Americans with diabetes are at great risk of developing devastating complications, including blindness, kidney disease, heart disease, and the need for amputations. Diabetes disproportionately affects minority populations, especially African Americans, Hispanics and Native Americans, who are at greater risk for developing this disease and its complications. Given the enormous economic and personal costs of diabetes, the Committee considers diabetes research a top priority and urges the Directors of NIH and NIDDK to review the growth rate in diabetes research funding over the past few years to assess whether this field has received appropriate support relative to other areas in the NIH portfolio. The Directors should be prepared to discuss their finding in the fiscal year 1998 appropriations hearings.

Since certain preventable risk factors, such as diet and obesity, have already been identified for diabetes, the Committee encour-

ages NIDDK to focus on prevention through education programs, including collaborative efforts with the affected Institutes.

The Committee is also pleased to learn of the progress being made in the area of genetic research. The NIDDK is encouraged to pursue this area since it holds great promise for gaining a better understanding of this disease and its complications.

Prostate cancer.—The Committee is encouraged by the NIDDK's prostate cancer activities and encourages the Institute to continue and to strengthen its basic and clinical research, and outreach and public education in prostate cancer.

End stage renal disease.—The number of patients in the United States with end stage renal disease (ESRD) now exceeds 300,000, and the number increases by eight percent each year. Understanding and preventing ESRD is essential to controlling health care costs, particularly in Medicare and Medicaid. Recent advances in basic and clinical research have led to treatments which slow the progression of kidney disease. Therefore, the Committee encourages the NIDDK to continue its research programs in clinical and basic sciences to further elucidate the mechanisms which cause progressive kidney disease and to define new ways to treat or prevent these diseases, including the major kidney diseases which begin in, or cause kidney failure in, children.

Polycystic kidney disease.—Polycystic kidney disease (PKD) affects some 600,000 Americans and is the third leading cause of kidney failure. Great progress has recently been made toward an effective treatment and eventual cure of PKD. Investigators have identified and cloned the gene responsible for 90 percent of PKD cases. The gene has now been fully sequenced, and the protein it encodes has been isolated. The Committee encourages the Institute to redouble its efforts to support PKD research in order to capitalize on these recent scientific advances.

Urological diseases.—The Committee is pleased with the growth of research on urological disease. The Committee encourages NIDDK to continue its commitment to research in the basic science of the prostate, including growth factors and their influence on prostate cancer and benign prostatic hypertrophy, and prostatitis. The Committee has heard testimony on prostatitis and its resulting disabilities and encourages NIDDK to enhance its research in this area.

Interstitial cystitis.—The Committee has a strong interest in research in interstitial cystitis (IC), a very painful and disabling bladder disease. It is pleased that in 1996 the NIDDK funded individual research grants focusing on IC, and is also encouraged that the IC database continues to progress and increase the understanding of the disease. The Committee supports further IC research as well as further development of the National IC Database. The Committee also requests that the NIH continue to address and resolve the problem of the lack of urological expertise on some of the NIH study sections which review urology grants.

Digestive diseases.—Diseases of the digestive system continue to affect more than one-half of all Americans at some time in their lives, and account for billions of dollars in economic losses, related health care costs, lost wages, and reduced productivity. Serious disorders such as colon cancer, inflammatory bowel disease, cirrhosis

of the liver, irritable bowel syndrome, and celiac disease contribute to a significant toll in human suffering, chronic illness, and mortality. Further progress is being made to enlist liver directed gene therapy to treat liver metabolic disease, and identify the genes responsible for Wilson's Disease and hemochromatosis. The Committee encourages the NIDDK to continue its efforts to develop the appropriate balance between conducting basic studies on digestive diseases and bringing this critical knowledge gained to the bedside to improve patient care.

The Committee commends the NIDDK for joining in a trans-institute initiative for further study of *H. pylori* infection and its relationship to peptic ulcer disease and gastric cancer. Further research in this area offers exciting possibilities to eradicate peptic ulcer disease and improve understanding of gastric cancer, particularly in minority populations.

H. pylori eradication.—25 million Americans suffer from ulcer disease, requiring more than one million hospitalizations and costing our nation more than \$2 billion annually. The Committee is aware of the 1994 consensus development conference which concluded that the bacterium *Helobacter Pylori* causes most ulcers, not stress or diet as previously believed, and that most ulcers can be cost-effectively cured by eradicating *H. pylori*. The Committee is concerned, however, about whether the *H. pylori* discovery has been widely disseminated and is actually yielding cost-saving changes in medical practice. Therefore, the Committee encourages the NIDDK to initiate a public education campaign to foster more effective communication between consumers and physicians on *H. pylori* and its link to ulcer disease. The NIDDK should collaborate in this effort with the NCI, the National Institute on Allergy and Infectious Diseases, the National Institute on Child Health and Human Development, and the NIH Office of Research on Minority Health, as well as the Centers for Disease Control and Prevention. In conjunction with these collaborating agencies and the extramural digestive diseases community, and taking into account the findings of the soon-to-be-released *H. pylori* study of the NIH Office of Medical Applications of Research, the NIDDK should determine the appropriate scope, target audience, and financing mechanisms for a public education campaign. The Committee requests a report within 120 days on NIDDK's plans to conduct such an effort and the appropriate design of the campaign.

Cooley's anemia.—The Committee has long supported research in the area of Cooley's anemia. Due to the red blood cell transfusions that patients must undergo, iron builds up in the major organs. The effective removal of this iron by chelating drugs requires an assessment of iron levels in the patient, but therapy is impeded by the lack of accurate non-invasive tests for iron overload. Therefore the Committee encourages NIDDK to move forward in an effort to develop an accurate, non-invasive test for iron overload that can be utilized for Cooley's anemia patients, as well as for patients with conditions such as hemachromatosis and iron deficiency anemia. The Committee also supports research aimed at developing an oral iron chelator.

Nutrition research.—The Committee is encouraged by the leadership of NIDDK in the nutrition and obesity research areas and

hopes that the Institute will continue its work on pharmacology and obesity management. The Committee was encouraged by the NIDDK Co-sponsorship of a research conference on nutrition support and encourages NIDDK to take steps to implement the research agenda developed by the conference, including the use of nutrient pharmacology and the role of anabolic treatments for wasting diseases such as AIDS and cancer.

Liver disease.—The Committee received testimony on the impact of liver diseases affecting 25 million people resulting in over \$9 billion in costs to the nation. The Committee is aware that last year the CDC increased its estimate of the number of people infected with hepatitis C by 11%, now estimated to total 3.9 million people, and is therefore pleased that the NIDDK and NIAID will sponsor a consensus conference on chronic hepatitis C in 1997.

The Committee urges NIDDK to focus on research to prevent, treat and cure liver diseases and suggests that the Institute consider convening a meeting to develop a well focused and comprehensive research program. The Committee urges NIDDK to include in this effort all Institutes now conducting liver disease research.

Cystic fibrosis.—The Committee is encouraged by the progress being made to develop gene therapy for cystic fibrosis (CF). The knowledge learned from these first studies has provided scientists with important information to pave the way to curing fatal illnesses. The Committee applauds both the NIDDK and the NHLBI for announcing the recent research program initiative in CF. The strong response to this initiative reflects the wealth of scientific opportunities that are available in CF research.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

The bill includes \$725,478,000 for the National Institute of Neurological Disorders and Stroke (NINDS), an increase of \$30,380,000 over the amount requested and \$44,576,000 over the comparable 1996 appropriation.

Mission.—The NINDS supports and conducts basic and clinical neurological research and research training to increase understanding of the brain and improve the prevention and treatment of neurological and neuromuscular disorders. The NINDS mission encompasses over 600 disorders, including stroke; head and spinal cord injury; epilepsy; multiple sclerosis; and neurodegenerative disorders such as Parkinson's disease.

Stroke.—Stroke remains the third leading cause of death in the U.S., the leading cause of serious disability and a major contributor to late-life dementia. Striking about 500,000 Americans each year, stroke kills about 150,000 of its victims and leaves most survivors permanently disabled. The Committee encourages the Institute to enhance stroke research activities, to strengthen its stroke education program, and to continue innovative approaches to improve stroke diagnosis, treatment, rehabilitation and prevention identified by the National Advisory Neurological Disorders Stroke Council in "Progress and Promises 1992: Status Report of the Decade of the Brain."

Parkinson's disease.—The Committee is acutely aware of the enormous economic cost and toll in human suffering resulting from

Parkinson's disease and considers research in this area a very high priority. As a result, the Committee was very supportive of the NINDS 1995 Parkinson's research planning workshop. The Committee now urges the NIH to develop, implement and fund the Parkinson's research agenda as recommended in the 1995 research planning workshop, particularly in the areas of neuroprotective strategies, neural transplantation, and neural growth factors. While the Committee is aware of the importance of basic research in making progress against many of the neurodegenerative disorders, the Committee urges NINDS to place substantial emphasis on therapeutic research opportunities as well.

Spinal cord injury.—The Committee considers research into spinal cord injury a very high priority and urges NINDS to strengthen its portfolio in this area, as well as to stimulate the field to encourage a broad range of investigators interested in pursuing spinal cord injury research. The Committee understands that the following research areas are promising avenues to pursue: understanding the signals that control the survival, development, guidance and differentiation of neurons; devising methods to enhance the survival of neurons through techniques involving medications, implantation of cells, and genetic activity; and developing neuroprosthetic devices to assist people with motor and sensory dysfunction.

Neurofibromatosis.—Important advances in research on neurofibromatosis (NF) have recently occurred, including discovery of the NF1 and NF2 genes, developing animal models and a diagnostic blood test and pre-natal testing for NF. NF also offers the potential for significant advances in broader areas, like tumor suppressor genes, and for other disorders such as many of the most common cancers, brain tumors, and learning disabilities. Accordingly, the Committee encourages the NINDS to continue to pursue an aggressive program in basic and clinical research in NF and to employ novel approaches in the clinical development of NF research, including, as the Institute determines appropriate, requests for applications; the National Cooperative Drug Discovery Group program; and Small Business Innovation Research grants. The Committee requests that the NINDS be prepared to report on the status of its NF research program at its hearings on the fiscal year 1998 budget.

Lou Gehrig's disease.—Amyotrophic lateral sclerosis (ALS), commonly referred to as Lou Gehrig's disease, is a progressive, fatal neurological disease for which no cure exists. The first real clue to a cause of the disease recently occurred with the identification of a gene defect linked to some cases of familial ALS. Recent clinical research resulted in the first compound to alter the course of the disease. Additional research is needed to capitalize on these recent developments, which may also lead to breakthroughs in other neurological disorders. To sustain this momentum, the Committee encourages NINDS to enhance its support of brain research relevant to ALS.

Multiple sclerosis.—The Committee urges NINDS to continue to conduct a vigorous research program to understand and treat multiple sclerosis (MS). Research seems particularly promising in the areas of basic and clinical studies to examine the changes that occur in the brain affected by MS and to evaluate immune-modu-

lating approaches to treatment and hormonal influences on autoimmune disease.

Batten's disease.—In the past year, the gene defects for the infantile and juvenile forms of Batten's disease have been discovered. These findings will lead to new research approaches, and the Committee encourages the NINDS to put renewed emphasis on Batten's disease research to take advantage of these opportunities.

Gaucher's disease.—The Committee remains interested in research pertaining to Gaucher's disease and encourages the Institute to continue to place priority on promising research opportunities in this area.

Dystonia.—The Committee continues to be pleased with NINDS efforts to encourage extramural initiatives in dystonia research, including a recent NINDS sponsored workshop on dystonia research opportunities. The Committee encourages NINDS to work closely with other organizations having an interest in dystonia research to collaborate on joint research programs encouraging investigators to study dystonia.

Behavioral research.—The Committee understands that NINDS supports a range of basic and applied behavioral research throughout its extramural divisions. The Committee encourages the Institute to continue its efforts to better understand the role of behavior in preventing and treating diseases and injuries of the brain.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

The bill includes \$1,256,149,000 for the National Institute of Allergy and Infectious Diseases (NIAID), an increase of \$47,419,000 over the amount requested and \$87,666,000 over the comparable 1996 appropriation.

Mission.—The NIAID supports and conducts basic and clinical research and research training programs in infectious diseases, including AIDS, and diseases caused by, or associated with, disorders of the immune system. The NIAID develops new and improved vaccines and supporting research on acquired immunodeficiency syndrome, tuberculosis, sexually transmitted diseases, and tropical diseases.

Asthma.—Asthma continues to take an enormous toll on the nation costing an estimated \$4.5 billion in direct medical costs. Children, African Americans, and Hispanics suffer disproportionately from asthma. In fact, the death rate from asthma in African Americans between the ages of 15 and 24 increased 129 percent between 1980 and 1993. The Committee urges the NIAID to continue to make minority and children-related asthma research a high priority, and requests the Director to provide an update on these efforts, and the Institute's national cooperative inner-city asthma study, at next year's appropriations hearings.

Tuberculosis.—NIAID's support for tuberculosis research is essential in developing improved diagnostic tests and treatments in response to the reemergence of TB in the United States. NIAID supported researchers have begun to understand multi-drug resistant tuberculosis and hope to develop methods to quickly determine which drug therapy is appropriate for multi-drug resistant strains, so a patient can begin an appropriate treatment therapy imme-

diately, thus reducing the risk of transmitting the disease to others. The Committee encourages further work in this area.

Liver disease.—The Committee received testimony indicating that liver diseases affects 25 million Americans and that last year the CDC revised its estimate of the number of people infected with hepatitis C by 11% or from 3.5 to 3.9 million people. The Committee is therefore pleased that the NIAID and the NIDDK will sponsor a consensus development conference on chronic hepatitis C in 1997 and encourages the involvement of other NIH institutes, as appropriate. The Committee encourages NIDDK to include in its collaborative liver disease research the Office of Alternative Medicine, particularly with regard to liver regeneration and return of function.

Hemophilia.—The Committee is pleased with NIAID efforts to maximize funding support of the HIV/AIDS clinical trials for persons with hemophilia through the treatment centers network and expects that this program will continue to provide access to the newly available drugs including protease inhibitors.

Cervical cancer.—A recent NIH consensus conference documented the link between cervical cancer and the sexually transmitted human papillomavirus (HPV). It has been estimated that over 90% of cervical cancer cases result from this infection. The Committee encourages the National Cancer Institute and the NIAID to collaborate in sponsoring basic and clinical research on human papillomavirus diagnosis, screening and prevention, and the identification of women at high risk of cervical cancer.

Microbicides.—The Committee acknowledges the progress that NIAID and the National Institute of Child Health and Human Development have made in funding research on microbicides for STD/HIV prevention. Of note are the program projects for topical microbicide research and the research on vaginal immunology and physiology. The Committee is pleased that a number of clinical trials are in progress or planned to evaluate safety and efficacy of existing spermicides and new topical microbicides. The Committee encourages NIAID to continue its commitment to funding the major areas of microbicide research, including basic research, product development, clinical evaluation, and behavioral research.

Women's interagency HIV study.—The Committee applauds the speed with which this cohort was enrolled and urges sustained funding for this study so that women can be followed prospectively to obtain the information critical to treatment and prevention efforts. The Committee believes that it is important to maintain geographical representation and to continue the study's broad scope in addressing a variety of women's health issues.

H. pylori.—The Committee commends the Office of Research on Minority Health, NIDDK and NIAID for joining in a trans-institute initiative for further study of *H. pylori* infection and its relationship to peptic ulcer disease and gastric cancer. Further research in this area offers exciting possibilities to eradicate peptic ulcer disease and improve understanding of gastric cancer, particularly in minority populations.

Primary immune deficiency diseases.—The Committee recognizes that more than 70 primary immune deficiency diseases have been identified to date, with 500,000 cases diagnosed and estimates of

another 500,000 undiagnosed. These diseases, in which the body is unable to fight off infections, strike most severely at children, many of whom do not survive beyond their teens or early 20s. The Committee is encouraged to learn that NIAID has entered into a collaborative agreement with a private foundation to support gene-transfer research grants to isolate and characterize the defective genes that cause all of these diseases and to develop techniques to correct the defects. The Committee encourages NIAID to maintain its focus on these devastating childhood diseases and supports its innovative approach to funding this research.

Fanconi anemia.—Fanconi anemia is a fatal, inherited genetic disorder that impairs the ability of the body's DNA to repair itself. The most common and life-threatening manifestation of this disease is a failure of the components of the blood—the body cannot successfully combat infection, fatigue or spontaneous hemorrhage or bleeding. The Committee is pleased to hear of the success of umbilical cord transplants in helping infants with Fanconi anemia. The Committee encourages the Institute to pursue additional research opportunities into this disorder.

Chronic fatigue and immune dysfunction syndrome.—The Committee encourages NIAID to support extramural grants focused on investigations which seek to identify the etiological agent(s) and markers for and the pathophysiology of chronic fatigue and immune dysfunction syndrome (CFIDS).

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

The bill includes \$1,003,722,000 for the National Institute of General Medical Sciences (NIGMS), an increase of \$40,099,000 over the amount requested and \$56,826,000 over the comparable 1996 appropriation.

Mission.—The NIGMS supports research and research training in the basic biomedical sciences. Institute grantees, working in such fields as cell biology, biophysics, genetics, developmental biology, pharmacology, physiology, and biological chemistry, study normal biological processes to better understand what goes wrong when disease occurs. In this way, NIGMS supports the new knowledge, theories, and technologies that can then be applied to the disease-targeted studies supported by other NIH components. NIGMS-supported basic research advances also find applications in the biotechnology and pharmaceutical industries. The Institute's training programs help provide the scientists needed by industry and academia and have a special focus on increasing the number of minority scientists through programs such as Minority Access to Research Careers (MARC) and Minority Biomedical Research Support (MBRS). The Committee expects NIGMS to continue to support these training programs.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

The bill includes \$631,989,000 for the National Institute of Child Health and Human Development (NICHD), an increase of \$28,339,000 over the amount requested and \$37,442,000 over the comparable 1996 appropriation.

Mission.—The NICHD conducts and supports laboratory and clinical research on the reproductive, developmental, and behav-

ioral processes that determine and maintain the health and well-being of children, adults, families and populations. In addition, research in medical rehabilitation is supported.

Sudden infant death syndrome.—The NICHD is to be commended for its aggressive efforts to reduce sudden infant death syndrome (SIDS) deaths through the national “Back to Sleep” campaign. This education campaign has played a major role in the 4 percent decline in infant mortality in 1993-1994, to an all-time low of 7.9 per thousand live births. To continue this progress, the Committee encourages NICHD to strongly support research related to the second SIDS Five Year Research Plan. This plan, developed in collaboration with the SIDS scientific and advocacy community, has provided guidance, structure, and support to the NICHD SIDS research program.

Microbicides.—The Committee acknowledges the progress that NIAID and NICHD have made in funding research on microbicides for STD/HIV prevention. Of note are the program projects for topical microbicide research and the research on vaginal immunology and physiology. The Committee is pleased that a number of clinical trials are in progress or planned to evaluate safety and efficacy of existing spermicides and new topical microbicides. The Committee encourages NICHD to continue its commitment to funding the major areas of microbicide research, including basic research, product development, clinical evaluation, and behavioral research.

National Center of Medical Rehabilitation Research (NCMRR).—NCMRR is taking advantage of remarkable advances in bio-engineering and applying them to the development of new, improved orthotic and prosthetic devices. These and other assistive devices enhance the mobility, independence, and quality of life of persons with physical disabilities. The Committee recognizes the importance of assistive technology research and development in the lives of people with physical disabilities and encourages the NICHD to enhance its use of the small business innovation research (SBIR) grant mechanism in this area.

Rett syndrome.—The Committee continues to be concerned about Rett syndrome, and the lack of a known cause or cure. Study of this syndrome may have important applications to autism, Alzheimer’s and Parkinson’s diseases. The Committee urges the Institute to continue to support further research on the causes of, biological markers for, and cures for Rett syndrome.

Autism.—Autism affects an estimated 400,000 Americans, making it the third most prevalent childhood disorder. The Committee is pleased that the NICHD, in cooperation with the National Institute of Mental Health, the NINDS, and the National Institute on Deafness and other Communication Disorders, has sponsored several activities to disseminate the findings and recommendations from the 1995 NIH consensus conference on autism. The Committee is pleased that NIH has chosen to issue an autism Request For Applications (RFA) to carry out the research recommendations of the conference, which is expected to stimulate a heightened interest in research on autism. The Committee looks forward to discussing the RFA initiative at next year’s hearings.

Fanconi anemia.—Fanconi anemia is a fatal, inherited genetic disorder in which patients manifest various congenital abnormali-

ties and are predisposed to cancer. The most common and life-threatening manifestation of this disease is the development of a hematological malignancy. The Committee is pleased to hear of the success of umbilical cord transplants in helping infants with Fanconi anemia. The Committee encourages the Institute to pursue additional research opportunities into this disorder.

Primary immune deficiency diseases.—More than 70 primary immune deficiency diseases, in which the body is unable to fight off infections, have been identified to date. They strike most severely at children, many of whom do not survive beyond their teens or early 20s. Researchers believe that one million cases, half of which are currently undiagnosed, exist in the United States. The Committee is encouraged to learn that NICHD has entered into a collaborative effort with a private foundation to support a joint research initiative that will study the development and the genetic defects of immunity. This research into the molecular, biological and genetic mechanisms of the disease is intended to result in improved diagnostic, therapeutic, and preventive strategies that will benefit children suffering from these debilitating diseases. The Committee encourages NICHD to continue to move forward with this research and supports its innovative approach to funding.

H. pylori.—The Committee encourages the Institute to consider joining the trans-Institute research effort on *H. pylori* infection initiated by the NIDDK and the Office of Research on Minority Health to explore further the transmission of *H. pylori* in childhood and the pathogenesis of *H. pylori* infection in children.

Demographic research.—The Committee commends NICHD for its demographic research program. Recent initiatives have contributed to knowledge about the role of fathers in families, the effects of family change on children, the causes of out-of-wedlock childbearing, and the determinants and consequences of immigration. The information derived from these studies and supported by NICHD is important to policymakers at all levels. The Committee encourages the Institute to continue to support demographic research and data.

Training.—As part of its effort to ensure the future supply of talented research personnel, the Committee encourages the NICHD to support an initiative such as B/START (Behavioral Science Track Awards for Rapid Transition), aimed at younger behavioral science researchers.

NATIONAL EYE INSTITUTE

The bill includes \$333,131,000 for the National Eye Institute (NEI), an increase of \$13,924,000 over the amount requested and \$19,198,000 over the comparable 1996 appropriation.

Mission.—The NEI conducts and supports basic and clinical research, research training, and other programs with respect to blinding eye diseases, visual disorders, mechanisms of visual function, preservation of sight, and the special health problems and needs of individuals who are visually-impaired or blind. In addition, the NEI is responsible for the dissemination of information, specifically public and professional education programs aimed at the prevention of blindness.

Macular degeneration.—Age-related macular degeneration is the leading cause of severe visual impairment and blindness in the U.S. The Institute has made great progress in this area through advances in cell and molecular biology. Additionally, genetics research and advances in the development of growth factors hold great promise for new treatments for this disease. The Institute is urged to encourage research in this area, and to be prepared to discuss the status of research in age-related macular degeneration and prospects for the future in next year's appropriations hearings.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The bill includes \$308,258,000 for the National Institute of Environmental Health Science (NIEHS), an increase of \$13,116,000 over the amount requested and \$19,880,000 over the comparable 1996 appropriation.

Mission.—The NIEHS mission is to reduce the burden of environmentally related illness and dysfunction by understanding how environmental exposures affect health, how individuals differ in their susceptibility to these effects, and how these susceptibilities change over time. This mission is achieved through multidisciplinary biomedical research programs, prevention and intervention efforts, and communication strategies that encompass training, education, technology transfer, and community outreach.

Asthma.—Asthma is one of the most prevalent chronic diseases of children, yet neither the cause nor cure for this disease is close to discovery. The relationship between asthma and environmental factors is beginning to emerge as an important link in understanding this complex disorder. The Committee encourages the NIEHS to continue its leadership role in studying environmental aspects of asthma and to continue to forge scientific collaborations with NIAID and NHLBI on this important health problem. The Committee is aware of an unusually high incidence of asthma and other health problems among students of Public School 48 in the Hunts Point area of the South Bronx, New York, where there is a concentration of waste transfer and sewage treatment facilities. The Committee understands that the Director of the National Institute of Environmental Health Sciences has visited the area, met with members of the affected community, and suggested ways that NIEHS might work with state and local public health officials and researchers to determine what environmental factors might be contributing to this asthma cluster. The Committee commends the NIEHS for its involvement and encourages the NIEHS to continue to support the community's efforts to identify and, if possible, mitigate any environmental causes of the Hunts Point asthma problem.

Parkinson's disease.—The Committee is pleased that the September 1995 workshop on the link between Parkinson's and other neurodegenerative disorders and the environment was well-attended and productive. The Committee also notes that the report on the August 1995 NIH-wide Parkinson's research planning workshop concluded that the environment is likely to play a role in the cause of Parkinson's. As a result, the Committee encourages the NIEHS to increase its focus on the environmental link to Parkinson's, using the findings of its September 1995 workshop and the August 1995 research planning workshop as a guide.

Nanofabrication.—The Committee is interested in the promise for improving the detection, prevention and remediation of environmentally related illnesses by the incorporation of cell and molecular biology into techniques of nanofabrication—which is the synthetic preparation of materials and devices with structural dimensions of approximately one-millionth of an inch—and molecular self-assembly. The Committee encourages the Institute to continue to advance these technologies, especially in partnership with those who have demonstrated an extensive record of work with these technologies.

Minority populations.—There has been an increased recognition in the scientific and public health community that minority and disadvantaged populations are disproportionately subjected to a variety of health hazards, including air pollution. Its relationship to asthma and other pulmonary disorders is beginning to be well documented. To help examine these problems, the Committee encourages the NIEHS to consider convening a national scientific summit on air quality issues faced by the nation's urban communities, working closely with the public health and scientific community.

National Toxicology Program.—The National Toxicology Program (NTP) was established to provide information to health, regulatory and research agencies, and the general public about potentially toxic chemicals, as well as to strengthen the science base of toxicology. In recent years, the NTP has made great strides toward incorporating more information on dose-response relationships and mechanisms that are critical for improved risk assessment. Risk assessment is the cornerstone of environmental decision making and should be firmly based on sound science. The Committee encourages the NIEHS to continue to pursue research into improved risk assessment methodologies.

Environmental justice.—The Committee is pleased by the progress that the NIH has made with regard to environmental justice. There has been an increased recognition in the scientific and public health community that minority and disadvantaged populations are disproportionately subjected to a variety of environmental health hazards. The relationship between environmental justice and cancer is beginning to be documented. To help examine these problems, and to further research advances in this area the NIEHS and NCI are encouraged to work in a collaborative effort on this important public health problem, in an effort to address environmental justice issues faced by the Nation's disadvantaged inner city and rural communities. The Committee requests that the NIEHS and NCI be prepared to report on the implementation of this collaborative initiative at the fiscal year 1998 budget hearings.

Synthetic chemicals.—Recent concerns have been raised over the effect of synthetic chemicals on human health and reproduction. Some research has indicated that man-made chemicals mimic human hormones and interfere with the process of human development. While most of this research has focused on animals, there is emerging evidence suggesting a link to humans. The Committee recognizes that this research is still in its preliminary stages and encourages the NIEHS to further explore this field.

Women's health.—The Committee requests the NIEHS to submit a report summarizing the body of scientific knowledge on the ef-

fects that environmental factors have on women's health. The report should include descriptions of the known effects of environmental factors on diseases such as cancer, on immune, reproductive, neurobehavioral, and endocrine system dysfunction, on early development, and on target organs. The report should also suggest categories of research that should receive priority and identify the areas that have received insufficient study.

Toxic tides.—Toxic red tides produce serious detrimental effects in humans, including several different types of seafood poisoning, profound respiratory irritation, and general prolonged neurological malaise. The Committee encourages the NIEHS to support research to characterize the human disease states, the molecular mechanisms responsible for intoxication, and the therapies and diagnostics needed to cure and ultimately prevent such illnesses. The Committee encourages NIEHS to cooperate with the National Oceanic and Atmospheric Administration in developing a coordinated effort to address the red tide problem.

NATIONAL INSTITUTE ON AGING

The bill includes \$484,375,000 for the National Institute on Aging (NIA), an increase of \$21,010,000 over the amount requested and \$30,834,000 over the comparable 1996 appropriation.

Mission.—The NIA conducts biomedical, behavioral, and social research related to the aging process to prevent disease and other problems of the aged, and to maintain the health and independence of older Americans. Alzheimer's disease is a particular focus of the NIA.

Alzheimer's disease.—Alzheimer's disease will in the next century create a devastating public health crisis, in terms of burden on family caregivers and the health care system, and the overwhelming fiscal demands on State and Federal budgets. The disease already afflicts 4 million persons and will claim 14 million in the next century. As a result, there is an urgent need to accelerate research into the molecular basis of Alzheimer's, the delay of onset of the disease, and genetically targeted therapeutic treatments. The Committee strongly urges the Institute to enrich its support of Alzheimer's disease research and to utilize a variety of mechanisms, including greater reliance on centers as appropriate, to maximize the productivity of its research.

The prevalence of Alzheimer's disease among women is roughly twice that of men. The Committee is aware of recent research suggesting that estrogen positively impacts concentrations of the Alzheimer's amyloid molecule and that estrogen replacement therapy may protect against the onset of Alzheimer's disease. The Committee strongly encourages the Institute to support additional research opportunities in these promising areas of research.

Cardiovascular aging research.—Heart attack, congestive heart failure, stroke, and other cardiovascular diseases remain top killers of older men and women and a main cause of disability. The number of deaths from cardiovascular diseases rises significantly with increasing age—as does the number of Americans suffering from these diseases. The Committee encourages the Institute to support innovative extramural and intramural cardiovascular research.

Demography.—The Committee is aware of the NIA's efforts in the areas of demography and population epidemiology, minority aging, women and aging, and the burden of care of Alzheimer's disease. The Committee encourages the NIA to continue its research in these areas, as well as providing the necessary training to prepare individuals to conduct such research.

Training.—As part of its effort to ensure the future supply of highly trained research personnel, the Committee encourages NIA to consider supporting an initiative such as B/START (Behavioral Science Track Awards for Rapid Transition), aimed at younger behavioral science researchers.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

The bill includes \$257,637,000 for the National Institute of Arthritis and Musculoskeletal and Skin Diseases (NIAMS), an increase of \$10,496,000 over the amount requested and \$14,982,000 over the comparable 1996 appropriation.

Mission.—The NIAMS conducts and supports basic and clinical research and research training, and the dissemination of health information on the more than 100 forms of arthritis; osteoporosis and other bone diseases; muscle biology and muscle diseases; orthopaedic disorders, such as back pain and sports injuries; and numerous skin diseases.

Lupus.—Lupus is a serious autoimmune disease that mainly affects young women. African American women are three times more likely to have the disease than white women. The Committee is encouraged by the NIAMS's research progress in this area, and urges the Institute to enhance research aimed at identifying the genes and mechanisms which lead to the onset of lupus and organ injury associated with this disease, and at understanding the factors associated with the high prevalence of lupus in minorities. The development of new and innovative treatment is also of great interest to the Committee.

Fibromyalgia syndrome.—Fibromyalgia syndrome (FMS) is a clinically diagnosed disorder which is poorly understood and difficult to treat. It is a syndrome of debilitating, chronic, widespread pain, fatigue, sleep disturbance and other associated disorders. The Committee commends NIAMS for its collaborative role in helping to set up the expanded Special Emphasis Panel (SEP) for chronic fatigue syndrome (CFS) so that it will also include expert reviewers in the overlapping field of FMS. The Committee also commends NIAMS for taking the initiative to host a second scientific workshop on this disorder. Now that an official grant review process is in place, the Committee urges NIAMS to aggressively solicit researchers in the field of FMS and related pain disorders to submit applications to the newly expanded CFS SEP. Collaboration with other Institutes is recommended to help fund research on FMS and related disorders.

Musculoskeletal tumors.—The Institute is encouraged to focus research in the area of musculoskeletal tumors, particularly in the development of allografts and other tissues as substitutes for removed limbs destroyed by tumors or lost as a consequence of trauma.

Repetitive motion injuries.—The Committee has heard testimony that an inadequate science base exists to address the problem of treatment of repetitive motion injuries. These types of injuries have significantly increased. Therefore, the Institute is encouraged to place a high priority on repetitive motion injuries research and to move forward with the recommendations made at the workshop held in 1994.

Trauma.—The Committee has learned that injuries cost our nation almost \$1.5 billion per year in damage, death, disability, and loss of productivity and that musculoskeletal trauma is by far the most common type of injury requiring treatment. Enhanced research in this area will allow for an increased understanding of injuries to muscles, tendons, and ligaments and will lead to the development of new methodologies to aid in the healing and repair of bone and tissue damaged from injury.

Alopecia areata.—Alopecia areata is a disease which impacts more than four million Americans, many of whom are children. The Committee is interested in receiving a report from NIAMS about the strategies they are using to find a cure for this disease.

Scleroderma.—An estimated 500,000 Americans are affected by scleroderma, a disease that contracts and toughens the skin, disfiguring the victim, restricting movement and in some cases leading to a fatal hardening of vital organs. The Committee encourages NIAMS to accelerate its research into scleroderma. The Committee would also like to learn the Institute's views of the desirability of (1) establishing a national scleroderma patient and tissue registry and (2) conducting an international scleroderma research symposium.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

The bill includes \$189,243,000 for the National Institute on Deafness and Other Communication Disorders (NIDCD), an increase of \$8,427,000 over the amount requested and \$12,860,000 over the comparable 1996 appropriation.

Mission.—The NIDCD funds and conducts research in human communication. Included in its program areas are research and research training in the normal and disordered mechanisms of hearing, balance, smell, taste, voice, speech and language. The Institute addresses special biomedical and behavioral problems associated with people who have communication impairments or disorders. In addition, the NIDCD is actively involved in health promotion and disease prevention, and supports efforts to create devices that substitute for lost and impaired sensory and communication functions.

Dysphonia.—Spasmodic dysphonia is a voice disorder that affects women predominantly and usually renders a person difficult to understand because of uncontrolled voice and pitch breaks. The Committee is pleased with NIDCD intramural and extramural study into spasmodic dysphonia and encourages continued aggressive efforts in this promising scientific area.

NATIONAL INSTITUTE OF NURSING RESEARCH

The bill includes \$59,715,000 for the National Institute of Nursing Research (NINR), an increase of \$2,749,000 over the amount requested and \$3,901,000 over the comparable 1996 appropriation.

Mission.—The NINR supports and conducts scientific research and research training to reduce the burden of illness and disability; improve health-related quality of life; and establish better approaches to promote health and prevent disease.

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

The bill includes \$212,079,000 for the National Institute on Alcohol Abuse and Alcoholism (NIAAA), an increase of \$9,465,000 over the amount requested and \$13,678,000 over the comparable 1996 appropriation.

Mission.—The NIAAA supports research to generate new knowledge to answer crucial questions about why people drink; why some individuals are vulnerable to alcohol dependence or alcohol-related diseases and others are not; the relationship of genetic and environmental factors involved in alcoholism; the mechanisms whereby alcohol produces its disabling effects, including organ damage; how to prevent alcohol misuse and associated damage and how alcoholism treatment can be improved. NIAAA addresses these questions through a program of biomedical, behavioral, and epidemiologic research on alcoholism, alcohol abuse, and related problems. This program includes various areas of special emphasis such as medications development, fetal alcohol syndrome, genetics, and moderate drinking.

Genetics.—Past studies in genetic epidemiology provide compelling evidence for the influence of genetics on the predisposition to alcoholism. Recent findings from the Cooperative Study on the Genetics of Alcoholism have identified several chromosomal regions of importance. NIAAA plans to initiate additional research to precisely map the location of the genes, isolate them, and identify their protein products. The Committee strongly supports the continued funding of this important research, which will provide the foundation for the development of new methods to prevent and treat alcoholism.

Molecular and cellular biology.—The Committee is pleased that NIAAA has launched an initiative in conjunction with four other NIH Institutes to bring cutting edge techniques in molecular and cellular neurobiology to alcoholism research. Neurobiological research funded by NIAAA showing that alcohol may interact directly with neural cell adhesion molecules and ion channels may lead to the rational design of drugs that block the adverse effects of alcohol. The Committee encourages NIAAA to continue research into the basic mechanisms underlying alcohol addiction and the medical complications of alcoholism.

Medications development.—The Committee encourages NIAAA to pursue both basic and clinical research to improve the use of existing drugs to treat alcoholism, as well as to identify new and more effective medications.

Fetal alcohol syndrome.—Fetal alcohol syndrome is the leading preventable cause of mental retardation in the United States. Re-

search funded by NIAAA has led to important discoveries on the molecular mechanisms underlying alcohol-induced birth defects, the effects of moderate drinking during pregnancy on the intelligence and behavior of children, and strategies for the prevention of drinking during pregnancy. The Committee encourages the NIAAA to consider the recommendations of the Institute of Medicine in its funding of fetal alcohol syndrome research.

Moderate drinking.—The Committee understands that NIAAA has received an extensive number of research applications on the health effects of moderate drinking to further investigate the potential role of beer, wine, and distilled spirits alcohol in an optimal diet and lifestyle. Research applications have been made on such subjects as the coronary protective effects of moderate drinking; the potential disease preventing mechanisms of wine antioxidants; alcohol's impact on other health parameters such as bone density; and overall mortality during different life stages. It is also the Committee's understanding that behavioral research submissions have been made, including studies investigating the responsible behavior of moderate consumers which could be helpful for the development of new alcohol education programs. The Committee believes that this research is important and encourages the NIAAA to continue its efforts in these areas. The Committee looks forward to learning in next year's hearing about the volume and types of research projects that have been funded.

Training.—Since behavioral factors are important to alcoholism and alcohol abuse, the Committee encourages NIAAA to consider an initiative to support junior behavioral researchers, such as the B/START (Behavioral Science Track Awards for Rapid Transition) program which has been used by other Institutes.

Treatment matching.—The Committee is interested to learn that Project MATCH, NIAAA's clinical trial of patient-treatment matching and treatment effectiveness, is approaching completion, and requests a report on the results of this important research as soon as it becomes available.

NATIONAL INSTITUTE ON DRUG ABUSE

The bill includes \$487,341,000 for the National Institute on Drug Abuse (NIDA), an increase of \$21,016,000 over the amount requested and \$29,229,000 over the comparable 1996 appropriation.

Mission.—NIDA's basic research furthers knowledge about the ways in which drugs act on the brain to produce drug dependence and about how the brain works. In addition, NIDA research identifies pharmacological and behavioral drug abuse treatments. NIDA conducts research on the nature and extent of drug abuse in the U.S. and monitors drug abuse trends nationwide to provide information for planning both prevention and treatment services. NIDA's mission is also to study the outcomes effectiveness and cost benefits of drug abuse services delivered in a variety of settings.

Neuroscience.—The Committee recognizes that neuroscience research has fundamentally changed our understanding of addiction and that this understanding provides the foundation for new kinds of treatments. NIDA has made progress in identifying the neurobiological bases of addiction, including craving, which is one of the major factors that can precipitate relapse. NIDA-supported

researchers have also made substantial progress in identifying potential anti-cocaine medications. NIDA-supported researchers have made great strides in understanding the brain's opiate system and its role in addiction. The Committee considers neuroscience research a top priority and encourages NIDA to continue its research efforts in this area.

Medication development.—Basic research has now progressed to the point where at least six molecular targets have been identified, allowing researchers to strategically focus research on anti-addiction medications. The Committee urges NIDA to continue research aimed at developing effective medications for the treatment of addictions, particularly for cocaine. The Committee is pleased that NIDA has issued a program announcement to encourage expedited transition of ground-breaking research from advanced preclinical findings to applied clinical applications. The Committee recognizes this is a valuable tool in advancing the discovery and development of medications for cocaine addiction.

Behavioral science research.—The Committee understands that behavioral research is important to solving problems of drug abuse and addiction, and that behavioral interventions are the most frequently administered treatments for drug addiction in some cases, the only available treatment. The Committee commends NIDA for its basic and clinical behavioral science activities aimed at better identifying those at risk for drug abuse and developing effective approaches for breaking the cycle of addiction. The Committee also encourages NIDA's HIV/AIDS initiatives because of the increasing link between HIV infection and drug use and related behaviors.

Social work research.—The Committee supports NIDA's research on families and drug abuse, behavioral and psychosocial treatment research and health services. The Committee also supports NIDA's efforts to increase the number of social work researchers conducting drug abuse research.

Information dissemination.—The Committee believes that disseminating research findings in a timely manner is an important component of the NIH mission. Therefore, the Committee is pleased to learn of NIDA's "town meetings" with educators, health care providers, State and local anti-drug coalitions, and civic organizations to disseminate research findings and foster information exchange.

NATIONAL INSTITUTE OF MENTAL HEALTH

The bill includes \$701,247,000 for the National Institute of Mental Health (NIMH), an increase of \$30,042,000 over the amount requested and \$40,733,000 over the comparable 1996 appropriation.

Mission.—The NIMH supports research to identify the causes of and the most effective treatments for mental illnesses. NIMH research brings a multidisciplinary approach to the human brain and behavior in health and in illness, integrating findings from the neurosciences, basic behavioral sciences, clinical research, epidemiology, prevention research, and mental health services research. In addition to research on the causes of and treatments for the most severe mental illnesses, the Institute supports studies of mood disorders, anxiety disorders, eating disorders, Alzheimer's disease, and childhood mental illnesses, as well as studies of the mental

health needs of special populations that include rural communities, racial and ethnic minority populations, women, and individuals at risk of developing AIDS. The Committee notes that NIMH's new director has indicated his intention to conduct a full review of the Institute's research portfolio as he considers NIMH's research mission and priorities. The Committee strongly supports this internal effort, and expects to hear the results at next year's hearings.

Clinical experiences.—The Committee understands that much basic behavioral research can be brought to bear on the most serious mental disorders and encourages NIMH to develop mechanisms to build a generation of basic behavioral researchers who are sensitive to clinical issues.

Social work research.—The Committee is pleased with NIMH's funding of social work research development centers. The Committee requests that NIMH be prepared to report on the implementation of the recommendations of the NIMH task force report on social work research at its fiscal year 1998 budget hearings.

Research plans.—The Committee is pleased to learn that NIMH supported the development of a behavioral science research plan aimed at reducing depression, schizophrenia, and other severe mood and anxiety disorders. The Committee encourages NIMH to consider the plan in determining its research priorities, and looks forward to discussing the use of the plan in next year's appropriations hearings.

NATIONAL CENTER FOR RESEARCH RESOURCES

The bill includes \$416,523,000 for the National Center for Research Resources (NCRR), an increase of \$38,924,000 over the amount requested and \$26,225,000 over the comparable 1996 appropriation.

Mission.—The NCRR develops and supports critical research technologies and shared resources that underpin biomedical research. The NCRR programs develop a variety of research resources; provide resources for complex biotechnologies, clinical research and specialized primate research; develop research capacity in minority institutions; and enhance the science education of pre-college students and the general public. The Committee places a special emphasis on programs such as the Research Centers in Minority Institutions and urges their continued support at levels commensurate with the importance of their mission.

Extramural facilities.—The Committee has included bill language identifying \$37,000,000 in extramural biomedical facility renovation and construction. These funds are to be awarded competitively, consistent with the requirements of section 481A of the Public Health Service Act which allocates 25 percent of total funding to institutions of emerging excellence. The Committee urges NCRR to provide technical assistance to institutions of emerging excellence so that they may compete for these awards on an equal footing with institutions that have long histories of competing for Federal funding.

Institutional development awards.—The Institutional Development Awards program (IDeA) provides capacity building assistance for biomedical research efforts in States which have not previously participated fully in the research programs of the NIH. The Com-

mittee urges the NCRR to enhance its efforts in this area so that States can more fully exploit the opportunities to develop a competitive biomedical research base. The Committee encourages the Director to permit applications from all States who can benefit from such assistance.

Primate centers.—The Committee confirms its understanding that primate center grants are competitively awarded. The Committee urges NCRR to make clear to any institutions not currently receiving primate center grants that they are permitted and encouraged to apply for center funding as current grants expire. The Committee intends that NCRR will announce the opportunity to apply for primate center funding in the NIH Guide for Grants and Contracts as the current grants come up for renewal.

Advanced instrumentation.—The Committee is familiar with the work of the National High Magnetic Field Laboratory that is supported by the Department of Energy and the National Science Foundation and believes that the technology being developed at this laboratory may have great potential for biomedical research in fields such as nuclear magnetic resonance imaging and cellular and structural biology. The Committee encourages NCRR to review the technology available at this facility and to consider supporting joint projects that have promising biomedical applications.

NATIONAL CENTER FOR HUMAN GENOME RESEARCH

The bill includes \$189,267,000 for the National Institute for Human Genome Research (NCHGR), an increase of \$9,392,000 over the amount requested and \$19,499,000 over the comparable 1996 appropriation.

Mission.—The NCHGR coordinates extramural research and research training for the NIH component of the Human Genome Project, an effort to determine the location and sequence of the estimated 100,000 genes which constitute the human genome. The Division of Extramural Research supports research in genetic and physical mapping, DNA sequencing and technology development, database management and analysis, and studies of the ethical, legal, and social implications of human genome research. The Division of Intramural Research focuses on applying the tools and technologies of the Human Genome Project to understanding the genetic basis of disease and developing DNA-based diagnostics and gene therapies.

Primary immune deficiency diseases.—More than seventy primary immune deficiency diseases have been identified by researchers to date. Research into the human genome has resulted in the discovery of the genetic defects that result in 17 of these 70 diseases, in which the body is incapable of fighting off infection. Discovering the defective genes that cause each disease is a critical step toward early and accurate diagnosis and treatment, which can relieve great suffering, and eventually toward prevention and cure. The Committee notes the advances that have occurred in research into primary immune deficiency diseases as a clear example of the prospects that result from the research of NCHGR and strongly encourages the Center to continue to focus on the identification and sequencing of genes that cause genetic-based illnesses.

Fanconi anemia.—Fanconi anemia is a fatal, inherited, genetic disorder in which patients manifest various congenital abnormalities and are predisposed to cancer. Recent research has indicated that mutations in at least four different genes can cause Fanconi anemia. The DNA for one of the genes has been cloned and found to encode a novel protein. Even though the protein's function is unknown at present, research has now reached the point where rapid progress to a detailed understanding of this syndrome may be possible. The Committee encourages the Center to pursue additional research opportunities into this disorder.

JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDY IN
THE HEALTH SCIENCES

The bill includes \$26,707,000 for the Fogarty International Center (FIC), an increase of \$1,160,000 over the amount requested and \$1,380,000 over the comparable 1996 appropriation.

Mission.—The FIC attempts to improve the health of the people of the United States and other nations through international cooperation in the biomedical sciences. In support of this mission, the FIC pursues the following four goals: mobilize international research efforts against global health threats; advance science through international cooperation; develop human resources to meet global research challenges; and provide leadership in international science policy and research strategies.

Tuberculosis.—The Committee notes the collaboration of the Fogarty International Center with international groups organized against tuberculosis and lung diseases. The Committee urges enhanced efforts of the Fogarty International Center aimed at developing research and training programs in collaboration with these groups to combat the growing global tuberculosis epidemic.

NATIONAL LIBRARY OF MEDICINE

This bill includes \$150,093,000 for the National Library of Medicine (NLM), an increase of \$3,514,000 over the amount requested and \$9,157,000 over the comparable 1996 appropriation.

Mission.—The mission of the National Library of Medicine is to collect, organize, disseminate, and preserve the world's output of biomedical literature in all forms. The resulting collection can be consulted at the Library's facilities on the NIH campus, requested by U.S. health professionals through interlibrary loan, or searched via online databases that the NLM makes available to health professionals around the world. NLM has a program of outreach to the health professions. The Library also has statutory responsibility to conduct research into biomedical communications and biotechnology; to award grants in support of health science libraries and the services they provide; and to create specialized information services in such areas as health services research, environmental health, hazardous substances, and toxicology.

Outreach.—The Committee encourages NLM to continue its special outreach efforts to bring the benefits of its information systems to all American health professionals. Providing information access to health professionals in remote rural and inner city areas is a high priority.

The Committee supports the NLM's efforts towards improving health care information sharing among clinicians, researchers, educators, and other health professionals through the implementation of the national information superhighway, and programs such as Internet. In order to maximize the productivity of these activities, the Committee urges that they be effectively coordinated through the use of medical librarians and other information specialists.

The Committee believes that an essential key to successful outreach is publishing and distributing NLM's planning documents and annual reports, thus publicizing the library's services and programs. The Committee is pleased that documents providing NLM-related information are being made available in print as well as electronically over the Internet.

OFFICE OF THE DIRECTOR

The bill includes \$275,423,000 for the Office of the Director (OD), an increase of \$23,910,000 over the amount requested and \$15,351,000 over the comparable 1996 appropriation. The bill includes language proposed by the Administration authorizing the collection of third party payments for the cost of clinical services.

Mission.—The Office of the Director provides leadership to the NIH research enterprise and coordinates and directs initiatives which cross-cut the NIH. The OD is responsible for the development and management of intramural and extramural research and research training policy, the review of program quality and effectiveness, the coordination of selected NIH-wide program activities, and the administration of centralized support activities essential to operations of the NIH.

Minority health initiative.—The Minority Health Initiative (MHI) is a coordinated set of programs designed to address the health needs of minorities across the lifespan and to expand the participation of minorities in all phases of biomedical and biobehavioral research. The MHI comprises a portfolio of multi-year research projects as collaborative efforts with NIH Institutes, centers and divisions (ICDs) as well as new components developed to confront emerging and unaddressed health research areas.

Women's health initiative.—This research is a large cross-Institute initiative to study prevention of conditions responsible for deaths, disability and frailty in older women—breast and colorectal cancer, heart disease, and osteoporosis. There are three components of the study: a randomized clinical trial; an observational study; and a community prevention study. The clinical trial is being conducted at 40 centers with 46,000 women participating. It is scheduled for completion in 2004.

Office of Research on Minority Health.—The Office of Research on Minority Health (ORMH) serves as the coordinating office for minority health research and research training activities at NIH. Through partnerships with the ICDs, and other federal agencies and outside organizations, the ORMH strives to improve the health status of all minorities and increase the numbers of minority scientists. The ORMH provides supplemental support to ICD projects, develops programs to increase minority participation in clinical trials, and initiates and develops programs to increase the competitiveness of grant applications submitted by minority researchers.

The Committee is pleased with the collaborative efforts that the Office of Research on Minority Health has pursued with the NIDDK on diabetes research to promote the health of minorities, particularly on the understanding, treatment and prevention of the disease in minority populations. The Committee urges the ORMH to continue these collaborative efforts with NIDDK on diabetes.

The Committee commends the ORMH for its participation in a trans-institute initiative for further study of *H. pylori* infection and its relationship to peptic ulcer disease and gastric cancer. Further research in this area offers exciting possibilities to eradicate peptic ulcer disease and improve understanding of gastric cancer, particularly in minority populations.

The Committee encourages ORMH to collaborate with NIEHS in its funding of programs to address the issues of environmental justice and environmental health effects in underserved and minority populations.

Office of Research on Women's Health.—The Office of Research on Women's Health (ORWH) works in collaboration with the ICDs of the NIH to promote and foster efforts to address gaps in knowledge related to women's health through the enhancement and expansion of funded research and/or the initiation of new investigative studies. The ORWH is responsible for ensuring the inclusion of women in clinical research funded by the ICDs, including the development of a computerized tracking system and the implementation of new guidelines on such inclusion. This Office is also involved in promoting programs to increase the number of women in biomedical science, and in the development of women's health as a focus of medical/scientific research.

The Committee commends the ORWH for sponsoring the July, 1996 scientific workshop on fibromyalgia syndrome (FMS) and encourages the ORWH to develop a policy to address chronic pain syndromes in women that tend to overlap, such as fibromyalgia syndrome, chronic fatigue syndrome, irritable bowel syndrome, chronic headaches, interstitial cystitis, dysmenorrhea, temporomandibular joint dysfunction and others.

The Committee is pleased with the collaborative efforts underway between the ORWH and the NIDDK to jointly fund research focusing on cardiovascular disease in women with diabetes. Diabetes is one of the leading risk factors for coronary artery disease among women between the ages of 30 and 55 who have Type I diabetes. Women with either Type I or Type II diabetes are at close to a two-fold risk of coronary artery disease, with potentially devastating effects on their quality of life and their lifespan. The Committee encourages the ORWH to work with NIDDK to develop and pursue projects that could lead to the prevention and control of diabetes and its potentially devastating consequences in women.

Office of AIDS Research.—The Office of AIDS Research (OAR) is responsible for coordination of the scientific, budgetary, legislative, and policy elements of the NIH AIDS research program. The OAR develops a comprehensive plan for NIH AIDS-related research activities which is updated annually. The plan is the basis for the President's budget distribution of AIDS-related funds to the Institutes, centers and divisions within NIH. The Committee expects the Director of NIH to use this plan and the budget developed by

OAR to guide his decisions on the allocation of AIDS funding among the Institutes. The Director of NIH should also use the full authority of his office to ensure that the ICDs spend their AIDS research dollars in a manner consistent with the plan. In addition, the OAR allocates an emergency AIDS discretionary fund to support research that was not anticipated when budget allocations were made.

The Committee commends the NIH for its initiation of a comprehensive external review and evaluation of the entire NIH AIDS research program. The Committee has received the Working Group Report, and urges the Director of NIH, in concert with the Director of the OAR, to implement these important recommendations, which set forth a blueprint for the future of AIDS research. The Committee also looks forward to receiving the final reports of the panel's review of individual scientific areas.

The Committee has included general provisions bill language similar to that contained in the 1996 appropriations bill permitting the Director of OAR, jointly with the Director of NIH, to transfer between ICDs up to three percent of the funding determined by NIH to be related to AIDS research. This authority could be exercised throughout the fiscal year subject to normal reprogramming procedures, and is intended to give NIH flexibility to adjust the AIDS allocations among Institutes if research opportunities and needs should change.

Last year, the number of AIDS cases passed the 500,000 mark. AIDS is now the leading cause of death for Americans between the ages of 25 and 44. The disease is spreading most rapidly among African Americans and other at-risk minority populations, adolescents, and women. Therefore, the Committee urges the OAR to carefully monitor these changes and ensure that the research plan includes objectives and strategies to respond to demographic changes in a timely fashion. NIH is also strongly encouraged to strengthen and to include the direct participation of African Americans and other minorities in its AIDS/HIV research, research training, and outreach activities. The Committee expects the NIH to report on its progress in achieving this objective during next year's appropriations hearings.

Office of Alternative Medicine (OAM).—The Office of Alternative Medicine (OAM) provides a central NIH focus for a research area germane to all NIH components. Alternative medicine is becoming increasingly popular in the industrialized world and research may help in identifying new effective approaches to the prevention and cure of disease. In the U.S., one out of every three Americans saw alternative health care practitioners in 1990, paying over \$13 billion for these services. The OAM is charged with evaluating alternative medical treatment modalities; investigating and evaluating the efficacy of alternative treatments; establishing an information clearinghouse for the public; and supporting research training in alternative and complementary medical practices. The Committee intends that the activities of the OAM be maintained at current year levels.

Office of Behavioral and Social Sciences Research.—The OBSSR provides leadership and direction for the development of a trans-NIH plan to increase the scope of and support for behavioral and

social science research and in defining an overall strategy for the integration of these disciplines across NIH institutes and centers; develops initiatives to stimulate research in the behavioral and social sciences arena and integrate a biobehavioral perspective across the research areas of NIH; and promotes studies to evaluate the contributions of behavioral, social and lifestyle determinants in the development, course, treatment, and prevention of illness and related public health problems.

The Committee is pleased that the OBSSR has established a research training task force. The Committee encourages the Office to work with the ICD's to develop small grants programs for young investigators such as the B/START program, or other mechanisms the OBSSR may determine are appropriate.

Office of Rare Disease Research.—This office was established in recognition of the need to provide a focal point of attention and coordination at NIH for research on rare diseases. The office works with Federal and non-Federal national and international organizations concerned with rare disease research and orphan products development; develops a centralized database on rare diseases research; and stimulates rare diseases research by supporting scientific workshops and symposia to identify research opportunities.

Transfer authority.—The Committee has included traditional bill language permitting the Director of NIH to transfer up to one percent of one NIH appropriation to another. The Committee emphasizes that such transfers are subject to the normal reprogramming procedures.

Biology of brain disorders.—The Committee is pleased the NIH has identified the biology of brain disorders as an area of scientific emphasis. This area of research extends to studies which seek to understand the development of the normal brain and the changes in development which may underlie brain disorders. Millions of Americans have a permanent, neurological disability that limits their daily activities. Many other brain-related disorders and ailments, such as pain, addiction, neurodegenerative disease, diseases of the aging brain, such as Alzheimer's and Parkinson's, inflict untold misery on millions of Americans. The Committee urges a continued commitment to this promising area of research.

Pediatric research.—The Committee is encouraged by NIH's responsiveness to past suggestions that it recognize the importance of a strong commitment to pediatric research across institutes and expects the NIH to continue reporting on its progress in strengthening its pediatric biomedical research portfolio. The Committee recognizes that the opportunity for scientific progress in combating and preventing illnesses and diseases affecting children has never been greater and that pediatric research can also offer significant insight and promise for adults. The Committee also recognizes that realizing this opportunity will require the NIH to maintain a specific focus on pediatric biomedical research, including assuring the appropriate participation of children in clinical research. The Committee encourages the NIH to initiate a coordinated and collaborative pediatric biomedical research effort and believes adequate funding is available within the Office of the Director for such an effort. The Committee would intend that the Director have broad discretion in the allocation of funds and encourages the Director to

allocate funds in consultation with the Institutes involved in pediatric research and extramural researchers as he determines appropriate.

Bone diseases.—The Committee is pleased with the growth of research on osteoporosis, Paget's disease and osteogenesis imperfecta throughout the NIH, particularly at the NIAMS, NIA, NIDR, and NIDDK. The Committee encourages these Institutes to further intensify their research programs on bone diseases, which affect over 30 million women, men and children.

Sleep disorders.—The Committee is concerned that while the NHLBI has proceeded with the establishment of the National Center on Sleep Disorders Research, no formal mechanism has been established to encourage grant collaboration between the National Center and other NIH institutes that have an interest in and a portfolio of sleep research activity. The Committee is hopeful that the recently approved National Sleep Disorders Research Plan will serve as the focal point for this important activity, and that the NIH Director's Office will help facilitate implementation of this plan.

Nutrition.—Nutrition research is a trans-NIH activity which the Committee continues to highlight. The Committee is encouraged by the progress of the obesity research initiative, and encourages an enhanced focus throughout the NIH on obesity research, particularly on its clinical aspects. The Committee also encourages the Office of Dietary Supplements within the Office of the Director to support research in the role of supplements in parenteral and enteral nutrition.

Chronic fatigue and immune dysfunction syndrome.—The Committee encourages NIH to enhance its research on chronic fatigue and immune dysfunction syndrome (CFIDS), particularly in seeking to identify the etiological agent. In light of the NIAID Advisory Council's recommendation in September 1995 that CFIDS research continue in a multidisciplinary manner, the Committee encourages the Director of NIH to appoint a CFIDS coordinator with cross cutting authority to provide leadership on CFIDS and cultivate the interest of institutes not currently engaged in the study of CFIDS. The Committee urges the NIH CFIDS coordinator to identify appropriate NIH advisory committees for CFIDS representation and make recommendations for appropriate representatives thereon.

Child abuse and neglect.—The Committee recognizes the magnitude and significance of the problem of child abuse and neglect. A 1993 National Research Council report entitled *Understanding Child Abuse and Neglect* examined the current state of research in this area and recommended a research agenda designed to address the problems and gaps that currently exist. In order to facilitate collaborative and cooperative efforts in this important area, the Committee encourages NIH to convene a working group of its component organizations currently supporting research on child abuse and neglect. The Committee requests that this working group be prepared to report on current NIH research efforts in this area, the accomplishments of that research, and on plans for future coordination efforts at NIH at the fiscal year 1998 hearings.

Clinical research.—Last year, the Committee requested a report from the NIH on its progress in implementing the recommenda-

tions of the Institute of Medicine (IOM) report on careers in clinical research. The Committee understands that the NIH Director's Advisory Panel on Clinical Research is continuing its deliberations on these matters, but urges the Director to take whatever steps he can to accelerate the work of that panel so that NIH can proceed expeditiously to respond to the IOM recommendations, as well as those the panel may have.

Training.—The Committee notes that the National Academy of Sciences recommended in its most recent assessment of the nation's need for biomedical and behavioral researchers that NIH increase the number of NRSA awards in behavioral science, nursing research, health services research, and oral health research, while keeping the number of NRSA awards in the basic biomedical sciences at current levels. The Committee requests that the Director report to the Committee NIH's progress in implementing these recommendations, including a plan and timetable to do so.

Outreach and public education.—The Committee feels that outreach and public education are important to the success of the NIH and strengthen the agency's research initiatives. The Committee commends the NHLBI for its outreach and public education activities, and believes that other ICDs could benefit from replication of NHLBI approaches to outreach and public education. The Committee urges the Director of the NIH to assist other institutes to strengthen their outreach and public education initiatives. The Committee requests the Director of NIH to provide an update of this effort during next year's appropriations hearings.

Minority issues.—The Committee notes that the National Institutes of Health has had a continuing discrimination problem with regard to minority hiring, promotions, use of minority contractors, and the participation of historically black colleges and universities in research opportunities. In light of this fact, the Committee requests that the NIH provide a detailed progress report on this continuing situation prior to the fiscal year 1998 appropriations hearings.

BUILDINGS AND FACILITIES

The bill includes \$200,000,000 for buildings and facilities, a decrease of \$190,261,000 below the amount requested and \$53,849,000 over the comparable 1996 appropriation. Of the \$200,000,000 provided, \$90,000,000 is designated in bill language for construction of the clinical research center.

Mission.—The Buildings and Facilities appropriation provides for the design, construction, improvement, and major repair of clinical, laboratory, and office buildings and supporting facilities essential to the mission of the National Institutes of Health. The funds in this appropriation support the 77 buildings on the main NIH campus in Bethesda, Maryland; the Animal Center in Poolesville, Maryland; the National Institute of Environmental Health Sciences facility in Research Triangle Park, North Carolina; and other smaller facilities throughout the United States.

Construction programs.—This account supports continued essential safety and health improvements to maintain the clinical center; the continuation of the campus infrastructure modernization program as well as programs for power plant safety, asbestos abate-

ment, fire protection and life safety, the elimination of barriers to persons with disabilities, safety and reliability upgrades at the Rocky Mountain Laboratory, and indoor air quality improvement.

Repairs and improvements.—Support is also provided for the continuing program of repairs and improvements required to maintain existing buildings and facilities.

Clinical research center.—The Committee concurs with the judgment of the NIH that construction of a new clinical research center to replace the current 43-year-old structure is vitally important to the future of clinical research, not only that conducted on campus but nationwide. With dramatic changes underway in the organization and financing of medical care and research supported at the nation's academic health centers, it is not clear that resources will continue to be available to conduct clinical research at those sites. The network of clinical research centers supported by the National Center for Research Resources cannot by itself fill this gap. The new hospital will have 250 beds, as recommended by the Marks-Cassell intramural research review panel, and will have flexibility to convert space from ambulatory to in-patient care and vice versa as clinical research practices change over the 50 year projected lifespan of the facility.

The President's budget requested full funding of \$310 million for construction in the first budget year. The Committee has instead provided \$90 million in fiscal year 1997, with every intention of providing the full cost of the project over the next few years in a way that does not disrupt its construction timetable or unnecessarily add to its total costs. The Committee has included bill language permitting NIH to contract for the entire scope of the project in the first year, subject to the availability of appropriations, so that NIH will not incur the delays and added costs associated with the need to let separate contracts for each annual appropriation of funds.

While the Committee will incorporate the \$310 million cost into its outyear budget planning, it understands that precise cost estimates will not be available until the detailed design and space programming is completed. The Committee expects to be promptly notified of any change in cost estimates resulting from the completion of the detailed design documents.

Given the size and complexity of the construction of the clinical research center, the Committee requests that NIH establish a semi-annual reporting system to notify the Committee of its progress. These reports should be based on a timetable for the project that includes significant construction and financial obligations benchmarks. Each report should indicate whether benchmarks have been met in terms of contract negotiation, costs incurred, and construction completions. As the project moves into the construction phase, the Committee may choose to request these reports on a quarterly basis. In addition, the Committee expects that the detailed construction documents be reviewed upon their completion by an outside party acceptable to both NIH and the Committee with experience in similar construction projects. The Committee does not intend that this review delay the construction timetable, but feels it would be useful to have an outside assessment before construction commitments are undertaken.

Surplus facilities.—The Committee understands that the Director's Science Advisory Committee may soon recommend surplusizing the Perrine primate facility in Miami. The Committee encourages NIH to expedite the surplusizing of this facility and believes it would be desirable for the facility to continue to be used for research purposes.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

The bill provides \$1,849,235,000 for the Substance Abuse and Mental Health Services Administration (SAMHSA). In combination with \$50,000,000 appropriated in P.L. 104–121, the bill provides a total program level of \$1,899,235,000 for SAMHSA, \$16,135,000 above the comparable fiscal year 1996 program level and \$248,776,000 below the budget request program level. Programs funded in this account are not authorized for fiscal year 1997.

SAMHSA is responsible for supporting mental health, alcoholism, and other drug abuse prevention and treatment services nationwide through discretionary knowledge development and applied research grants and formula block grants to the States. The agency consists of three principal centers: the Center for Mental Health Services, the Center for Substance Abuse Treatment, and the Center for Substance Abuse Prevention. The Office of the Administrator is responsible for overall agency management.

The Committee commends the agency for the difficult decisions it has taken to downsize and streamline its operations to improve productivity and efficiency with limited resources. The Committee is encouraged by the Agency's initiative to comply with the Government Performance and Results Act (GPRA) ahead of the mandated schedule and continues to encourage the Agency to implement GPRA as quickly as possible. In general, the Committee concurs with the Agency's efforts to set performance goals for its grantees and to measure outcomes against those goals.

In general, the bill has provided funding at the comparable fiscal year 1996 funding levels for the block grants and has provided select increases in the Knowledge Development and Application (KDA) programs to continue high priority continuing projects which would otherwise be terminated. The bill does not include the President's proposal to consolidate and reduce funding by \$20,000,000 for the PATH program and the mental health block grant. The bill does not fund the proposed Performance Partnerships which are not authorized in law but notes that many components of the proposal may be implemented without further legislation, and the Agency is encouraged to do so. Funding for administrative activities is provided at the requested level.

The Committee notes that decision-making regarding funding for drug abuse prevention and treatment activities is greatly hampered by the dearth of comprehensive information on such activities across the Federal Government. A recent study performed for the Committee by the General Accounting Office (GAO) indicated that no federal agency, including the Office of National Drug Control Policy (ONDCP), maintains information regarding total Federal spending for drug prevention and treatment activities. Infor-

mation available to the Committee regarding state, local and private drug treatment and prevention activities is similarly insufficient. Overall, according to the GAO, the Federal Government is projected to spend \$15,400,000,000 in fiscal year 1996 for substance abuse treatment, prevention and supply interdiction. Of that amount, the Department of Health and Human Services spends \$3,600,000,000 on prevention and treatment, the Department of Education spends \$618,000,000 and the Department of Labor spends \$60,000,000. According to the GAO:

From fiscal year 1990 through 1994, the number of Federal departments and agencies funding substance abuse treatment and prevention activities increased from 12 to 16, according to the Office of National Drug Control Policy. For the same years, Federal agencies' budget authorizations increased more than 59% from about \$2.8 billion to \$4.4 billion. The fiscal year 1996 budget authorization was estimated to be \$5.2 billion.

Mental Health

Knowledge development and application

The bill provides \$38,032,000 for the mental health knowledge development and application (KDA) program, the same as the comparable fiscal year 1996 appropriation and \$24,101,000 below the budget request. In the fiscal year 1996 budget request, SAMHSA proposed a new direction for future demonstration programs emphasizing intensive knowledge development and technology transfer rather than continuing service support. SAMHSA identified seven priority areas for KDA research and application, and the funding provided in the bill supports the continuing transition to the new KDAs. In fiscal year 1997, the Center for Mental Health Statistics (CMHS) will participate in each of the seven designated areas of research including Managed Care and Service Financing, Early Childhood Problems, Emerging Issues, Co-Occurring Disorders, Criminal Justice, Changing Systems and Practice, and Standards and Guidelines.

The Committee is pleased by SAMHSA's decision to maintain support for the AIDS mental health demonstration projects and to continue supporting a data center to provide technical assistance to and evaluation of the demonstration projects. The Committee commends CMHS for working cooperatively with the Health Resources and Services Administration and the National Institute on Mental Health to fund cooperative agreements relating to AIDS and mental health.

The Committee is concerned about the impact of managed care on the availability of mental health services to underserved communities. Therefore, the Committee directs the Secretary to consider developing within the Standards and Guidelines emphasis area standards for mental health professionals employed by managed care entities regarding cultural competencies, workforce diversity, and collaboration among primary care disciplines. In addition, the Committee believes that design of curricula and training models to prepare social workers for the managed care and other interdisciplinary primary health care settings merit consideration for

Standards and Guidelines funding. Finally, the Committee encourages CMHS to collaborate with the Health Resources and Services Administration on the development of training protocols for mental health professionals in primary care settings including the linking of health-related agencies with graduate schools for pre-service and continuing education.

Mental health block grant

The bill includes \$275,420,000 for the mental health block grant, the same as the comparable fiscal year 1996 appropriation and the budget request. The Committee has not adopted the President's proposal to consolidate and reduce by \$20,000,000 funding for the mental health block grant and grants to States for the homeless (PATH) programs. Rather, the bill preserves and fully funds both programs.

The block grant provides funds to States to support mental health prevention, treatment, and rehabilitation services. Funds are allocated according to statutory formula among the States that have submitted approved annual plans.

The Committee notes that the mental health block grant funding represents less than 2% of total State mental health funding and less than 5% of State community-based mental health services.

Children's mental health

The bill provides \$59,927,000 for the fifth year of funding for the grant program for comprehensive community mental health services for children with serious emotional disturbance, the same as the comparable fiscal year 1996 appropriation and \$31,000 below the budget request. This amount is sufficient to fully fund all 22 continuing demonstration projects, a cooperative agreement to provide technical assistance to project sites, an evaluation contract, and children's education campaign activities as requested in the budget.

Funding for this program supports grants and technical assistance for community-based services for children and adolescents up to age 22 with serious emotional, behavioral, or mental disorders. The program assists States and local jurisdictions in developing integrated systems of community care. Each individual served receives an individual service plan developed with the participation of the family and the child. Grantees are required to provide increasing levels of matching funds over the five year grant period.

Grants to States for the homeless (PATH)

The bill provides \$20,000,000 for the grants to States for the homeless (PATH) program, the same as the comparable fiscal year 1996 appropriation and \$20,000,000 above the request. The bill does not adopt the President's request to consolidate and reduce by \$20,000,000 funding for the PATH program and the mental health block grant, nor does the bill include legislation proposed by the Administration to establish a transitional funding formula related to the consolidation of the PATH and mental health block grant programs. The proposed funding formula is not authorized in current law.

PATH grants to States provide assistance to individuals suffering from severe mental illness and/or substance abuse disorders and who are homeless or at imminent risk of becoming homeless. Grants may be used for outreach, screening and diagnostic treatment services, rehabilitation services, community mental health services, alcohol or drug treatment services, training, case management services, supportive and supervisory services in residential settings, and a limited set of housing services.

Protection and Advocacy

The bill provides \$21,957,000 for the protection and advocacy program, the same as the request and \$2,107,000 above the comparable fiscal year 1996 appropriation. This funding is distributed to States according to a formula based on population and income to assist State-designated independent advocates to provide legal assistance to mentally ill individuals during their residence in State-operated facilities and for 90 days following their discharge.

Substance abuse treatment

Knowledge development and application

The bill provides \$101,333,000 for the substance abuse treatment knowledge development and application (KDA) program, an increase of \$11,556,000 over the comparable fiscal year 1996 appropriation and \$74,710,000 below the budget request. In the fiscal year 1996 budget request, SAMHSA proposed a new direction for future demonstration programs emphasizing intensive knowledge development and technology transfer rather than continuing service support. SAMHSA identified seven priority areas for KDA research and application, and the funding provided in the bill supports the transition to the new KDAs. In fiscal year 1997, the Center for Substance Abuse Treatment (CSAT) will participate in six of the seven designated areas of research including Managed Care and Service Financing, Emerging Issues, Co-Occurring Disorders, Criminal Justice, Changing Systems and Practice, and Standards and Guidelines.

The Committee has provided sufficient funding to support all fifth year residential women and children grants and expects these projects to be fully funded through completion.

The Committee recommends that in awarding KDA grants to eligible grantees the Secretary give priority to the development of knowledge and specific interventions that improve the quality and access to services in areas where there is a high incidence of substance abuse and mental illness coupled with other contributing conditions such as high rates of co-morbidities, particularly HIV infection, long waiting lists for treatment, or homelessness.

Substance abuse block grant

The bill includes \$1,184,107,000 in new budget authority for the substance abuse block grant. In combination with the \$50,000,000 provided for the block grant in P.L. 104-121, the bill makes available \$1,234,107,000 for the block grant, the same as the comparable fiscal year 1996 appropriation and \$87,850,000 below the budget request.

The substance abuse block grant provides funds to States to support alcohol and drug abuse prevention, treatment, and rehabilitation services. Funds are allocated among the States according to a statutory formula. State applications including comprehensive state plans must be approved annually by SAMHSA as a condition of receiving funds.

Substance abuse prevention

Substance abuse prevention knowledge development and application

The bill provides \$93,959,000 for the substance abuse prevention knowledge development and application (KDA) program, an increase of \$4,160,000 above the comparable fiscal year 1996 appropriation and \$82,084,000 below the budget request. In the fiscal year 1996 budget request, SAMHSA proposed a new direction for future demonstration programs emphasizing intensive knowledge development and technology transfer rather than continuing service support. SAMHSA identified seven priority areas for KDA research and application, and the funding provided in the bill supports the continuing transition to the new KDAs. In fiscal year 1997, the Center for Substance Abuse Prevention (CSAP) will participate in six of the seven designated areas of research including Managed Care and Service Financing, Early Childhood Problems, Emerging Issues, Co-Occurring Disorders, Changing Systems and Practice, and Standards and Guidelines.

The Committee has provided sufficient funding to continue all high risk youth public housing grants and expects these projects to be fully funded for one additional year. The Committee has provided this funding on a one-time basis and intends that grantees will develop alternative sources of funding such as the drug elimination grants for public housing funded by the Department of Housing and Urban Development.

Program management

The bill provides \$54,500,000 for program management activities, the same as the budget request and \$1,688,000 below the comparable fiscal year 1996 appropriation. The appropriation provides funding to coordinate, direct and manage the agency's programs. Funds are used for salaries, benefits, space, supplies, equipment, travel and overhead.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

The bill provides an estimated \$176,392,000 for retirement pay and medical benefits for commissioned officers, the same as the budget estimate and an increase of \$9,467,000 over the estimated payments for fiscal year 1996. This activity provides mandatory payments to Public Health Service commissioned officers who have retired for age, disability, or specified period of service. This appropriation also provides for the cost of medical care in non-Public Health Service facilities to dependents of the Public Health Service Commissioned Corps and payments to the Social Security trust funds for the costs to them of granting credits for military service.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HEALTH CARE POLICY AND RESEARCH

The bill includes \$90,469,000 in general funds for the Agency for Health Care Policy and Research (AHCPR), which is \$25,424,000 above the 1996 level and \$6,469,000 above the President's request. In addition, the bill does not make available any trust fund monies, which is \$5,796,000 lower than the request, and \$34,700,000 in one percent evaluation funding, compared to the request of \$53,984,000, for a total resource level of \$125,169,000. This total resource level is the same as the 1996 level and \$18,611,000 below the request.

The mission of the Agency for Health Care Policy and Research is to generate and disseminate information that improves the delivery of health care. AHCPR's research goals are to determine what works best in clinical practice; improve the cost-effective use of health care resources; help consumers make more informed choices; and measure and improve the quality of care.

The bill includes \$39,239,000 for Research on Health Care Systems Cost and Access, which is \$9,177,000 below the President's request and \$12,904,000 below the 1996 level. The Research on Health Care Systems Cost and Access program identifies the most effective and efficient approaches to organize, deliver, finance, and reimburse health care services; determines how the structure of the delivery system, financial incentives, market forces, and better information affects the use, quality, and cost of health services; and facilitates the translation of research findings for providers, patients/consumers, plans, purchasers, and policymakers.

The bill includes \$44,700,000 for Health Insurance and Expenditure Surveys, which is the same as the President's request and \$29,700,000 above the 1996 level. Of the \$44,700,000 provided, \$34,700,000 is derived through the one percent evaluation set-aside. The Committee has traditionally approved the use of the set-aside for crosscutting health surveys of use throughout the PHS. The Health Insurance and Expenditure Surveys provide timely national estimates of health care use and expenditures, private and public health insurance coverage, and the availability, costs, and scope of private health insurance benefits. This activity also provides analysis of changes in behavior as a result of market forces or policy changes on health care use, expenditures, and insurance coverage; develops cost/savings estimates of proposed changes in policy; and identifies the impact of changes in policy for subgroups of the population. These objectives are accomplished through the fielding of the Medical Expenditure Panel Surveys (MEPS), an interrelated series of surveys that replace the National Medical Expenditure Survey (NMES). The Committee has provided the Administration's full request for MEPS, recognizing that conducting the survey in fiscal year 1997 is the agency's top priority. The Committee encourages AHCPR, however, to look for further economies within MEPS so that the savings could be reallocated through reprogramming to other AHCPR activities.

The bill includes \$39,000,000 for Research on Health Care Outcomes and Quality which is \$9,241,000 below the President's request and \$16,796,000 below the 1996 level. The Research on

Health Care Outcomes and Quality program funds research that determines what works best in medical care by increasing the cost effectiveness and appropriateness of clinical practice; supports the development of tools to measure and evaluate health outcomes, quality of care, and consumer satisfaction with health care system performance; and facilitates the translation of information into practical uses through the development and dissemination of research databases.

The bill includes \$2,230,000 for program support, which is the same as the 1996 level and \$193,000 below the President's request. This activity supports the overall direction and management of AHCPR.

Clinical guidelines.—The Committee applauds AHCPR for responding to last year's Committee report language urging AHCPR to re-evaluate its role in the direct development of clinical practice guidelines. The Committee hopes that AHCPR's new approach of relying on outside groups to generate the actual guidelines will result in broader use of guidelines in actual medical practices. While the Committee understands the amount of funding allocated to clinical guidelines is a modest proportion of the AHCPR budget, it nonetheless encourages the agency to continue to evaluate its appropriate role in providing direct technical assistance in areas such as literature review versus validating the preparation and development work generated by private groups.

Children's health services.—The Committee commends AHCPR for convening experts in children's health care delivery and managed care for the purposes of moving towards a children's health services research agenda, and for establishing an internal working group to examine health care effectiveness, quality and outcomes measures for children. The Committee looks forward to receiving the report AHCPR is compiling on current efforts to address children's health care issues, particularly in the changing environment of managed care. To the extent resources permit, the Committee encourages AHCPR to sponsor a national gathering to develop and disseminate a national research agenda on quality, health care effectiveness, and outcomes measure for children, including children with special health care needs.

Advance directives.—In the past, the Committee has encouraged AHCPR to study the effectiveness of a community-focused, home-based approach to encouraging people to complete advance directives in an attempt to empower patients at the end of life decisions about their care. The Committee is aware that a coalition of private sector groups is undertaking an effort to conduct research on the needs of persons, families and communities confronted with life-threatening illness and to assess the current abilities of the health care system to meet those needs. The Committee encourages AHCPR, to the extent resources are available, to support efforts in research of supportive care of the dying such as those described above.

HEALTH CARE FINANCING ADMINISTRATION

GRANTS TO STATES FOR MEDICAID

The bill includes \$75,056,618,000 for the Federal share of current law State Medicaid costs in fiscal year 1997. This amount does not include \$26,155,350,000 which was advance funded in the 1996 appropriation. The amount recommended in the bill for fiscal year 1997 is the same as the amount requested by the Administration and \$19,962,263,000 more than the amount appropriated for fiscal year 1996. \$12.7 billion of unobligated balances were available to the program in 1996, reducing the budget authority needs in that year.

Federal Medicaid grants reimburse States for 50 to 77 percent (depending on per capita income) of their expenditures in providing health care for individuals whose income and resources fall below specified levels. Subject to certain minimum requirements, States have broad authority within the law to set eligibility, coverage and payment levels. It is estimated that 37.5 million low income individuals will receive health care services in 1996 under the Medicaid program. State costs of administering the program are matched at rates which generally range from 50 to 90 percent, depending upon the type of cost. Total funding for Medicaid includes \$524 million for the entitlement Vaccines for Children program. These funds, which are transferred to the Centers for Disease Control and Prevention for administration, support the costs of immunization for children who are on Medicaid, uninsured or underinsured and receiving immunizations at Federally qualified health centers or rural health clinics. Indefinite authority is provided by statute for the Vaccines for Children program in the event that the current estimate is inadequate.

The Committee is aware that the authorizing committees are considering fundamental changes to the Medicaid program. The Committee has appropriated on the basis of existing law, but if such changes are enacted, will modify the appropriation in conference to comport to the new statute.

The Committee urges the Health Care Financing Administration (HCFA) to make clear to States administering the Medicaid program its policy that the program reimburses the provision of prosthetic devices such as hearing aids when provided by licensed health care professionals operating within their scope of practice. Depending on the certification of the health professional, this reimbursement may or may not include testing, fitting and followup services related to the prosthetic devices.

The Committee asks HCFA to speedily respond to the pending proposal of the state of Indiana, California, and any other state relating to the financing of the enhanced disproportionate share hospital program under Medicaid.

The Committee has included bill language extending an expired moratorium on the designation of a particular provider in the State of Michigan as an institution for mental disease for the purpose of Medicaid payments. The extension, which was last extended in the Omnibus Budget Reconciliation Act of 1993, would continue until December 31, 2000 or until the Medicaid plan takes effect.

PAYMENTS TO HEALTH CARE TRUST FUNDS

The bill includes \$60,079,000,000 for the Payments to the Health Care Trust Funds account. This is a decrease of \$3,234,000,000 below the 1996 level and the same as the Administration request.

This entitlement account includes the general fund subsidy to the Medicare Part B trust fund as well as other reimbursements to the Part A trust fund for benefits and related administrative costs which have not been financed by payroll taxes or premium contributions. The amount provided includes \$142 million for program management administrative expenditures, which is the 1997 estimate of the general fund share of HCFA program management expenses. This general fund share will be transferred to the Federal Hospital Insurance Trust Fund to reimburse for the funds drawn down in 1997 from the trust fund to finance program management.

PROGRAM MANAGEMENT

The bill makes available \$1,733,125,000 in trust funds for Federal administration of the Medicare and Medicaid programs. This is \$391,156,000 less than the amount available for this purpose for fiscal year 1996 and \$470,027,000 less than the Administration request.

Research, demonstration, and evaluation

The bill includes \$42,000,000 for research and demonstrations. This total is \$8,810,000 less than the amount requested by the Administration and \$2,000,000 more than the amount provided in 1996. These funds support a variety of studies and demonstrations in such areas as monitoring and evaluating health system performance; improving health care financing and delivery mechanisms; modernization of the Medicare program; the needs of vulnerable populations in the areas of health care access, delivery systems, and financing; and information to improve consumer choice and health status.

The Committee encourages HCFA to conduct demonstrations of promising claims processing systems developed in the private sector designed to detect duplicate payments, diagnosis codes inconsistent with the treatment rendered, unbundling of services, and overcharges.

The Committee encourages HCFA to conduct research demonstrations involving advanced telecommunications networks that are designed to provide primary care to urban, underserved and culturally diverse populations.

The Committee supports the efforts of HCFA and the Department of Defense to negotiate a Medicare subvention demonstration. Subvention has the potential to provide additional healthcare options at a reduced cost. The Committee urges HCFA to act expeditiously in concluding this negotiation.

The Committee encourages the Health Care Financing Administration to continue funding for the Medicare Community Nursing Organization Demonstration Projects through fiscal year 1997. These projects operate in four States to test the efficacy of nursing

organizations at providing managed care for Medicare home care and non-physician services.

The bill does not include funding for health insurance information, counseling and assistance grants, which is \$4,500,000 less than the President's request and the same as the 1996 level. These grants provided funding to States to counsel Medicare recipients about insurance benefits and plans. All States have received grants—a total of \$30 million. Fifteen States receive funding from other sources for this program. The counseling is largely done on a volunteer basis; HCFA grants were used for a coordinator and some travel.

No funding is provided for rural hospital transition grants, which is \$13,089,000 less than the 1996 level and the same as the Administration request. These grants provide \$50,000 awards to small rural nonprofit hospitals to help them adapt to changes in the demand for different types of services, changes in the populations served, or changes in the hospital's ability to provide staffing. This program has distributed \$149 million since its inception in 1989. Studies suggest that these grants have had only limited impact in stabilizing the financial situation of these small hospitals. Grants tend to be used for consulting services and personnel hiring rather than to make systemic changes to improve the institution's viability.

Medicare contractors

The bill provides \$1,207,200,000 to support Medicare claims processing contracts. This is \$407,000,000 below the amount requested by the Administration and \$390,442,000 below the operating level provided in fiscal year 1996.

The Committee has reduced funding for Medicare contractors in anticipation of the appropriation provided for contractor payment safeguard activities in H.R. 3103, the Health Coverage Availability and Affordability Act of 1996. That legislation, currently in conference, directly appropriates not less than \$430,000,000 and not more than \$440,000,000 for payment safeguard activities. If H.R. 3103 is not enacted into law, the Committee will consider funding for these activities at the time of conference.

Medicare contractors are responsible for paying Medicare providers promptly and accurately. In addition to processing claims, contractors also identify and recover Medicare overpayments, as well as review claims for questionable utilization patterns and medical necessity. In addition, contractors provide information and technical support both to providers and beneficiaries regarding the administration of the Medicare program. In 1997, contractors are expected to process 861 million claims.

Based on the President's request, the Committee assumes the Medicare Transaction System will be supported at a funding level of \$75 million in fiscal year 1997.

	1996	1997
Contractor operations	\$1,181,442,000	\$1,132,200,000
Payment safeguards	396,000,000	¹ (435,000,000)
Medicare Transaction System	20,200,000	75,000,000

	1996	1997
Total contractors	1,597,642,000	1,642,200,000

¹ Provided in H.R. 3103

The Committee intends to track closely the progress of the Medicare Transaction System, (MTS), and its related expenses. The Committee requests that HCFA submit a long-range budget for MTS, identifying expenses by quarter and appropriate benchmarks for completion of the design and implementation of the system, as well as expenses incurred to date. The budget should also include savings expected to result from MTS and the methodology used to calculate those savings.

With respect to the Medicare payment safeguards, the Committee notes that the Congressional Budget Office, in scoring the Health Coverage Availability and Affordability Act of 1996 (H.R. 3103) projected savings to be achieved under current discretionary funding and additional savings through the increased funding in H.R. 3103. The Committee instructs the Health Care Financing Administration to provide the Committee with semi-annual reports on the actual deficit reduction impact of H.R. 3103. This report will provide separate information on the savings achieved under the assumed funding base and the incremental amounts provided in H.R. 3103 for the following:

The actual revenues to the federal government as a result of recoveries, increased secondary payers collections and audit reviews of providers;

The actual value of claims paid during the previous six month period and the estimated value of claims denied during the reporting period as a result of modifications in payment policies during the reporting period due to payment safeguard activities.

In the first report, for the period ending September 30, 1996, the Health Care Financing Administration will provide the above identified information for the previous six month period under funding made available in the fiscal year 1996 appropriations act.

The Committee is concerned that other measures of savings such as claims filed, costs avoided or other estimates may overstate the return on investment due to funding increases. It therefore instructs the Health Care Financing Administration, except where directed to do otherwise, to include only those actual revenues to the federal government and the actual dollar value of payments that had been made to providers prior to actions to change or modify payment policies.

State survey and certification

The bill provides \$158,000,000 for State inspection of facilities serving Medicare and Medicaid beneficiaries, which is \$10,375,000 above the 1996 level and \$15,800,000 below the Administration request. The Committee anticipates that additional resources will be made available through the legislative changes pertaining to the home health agency survey cycle and deemed certification for some facilities that were included in H.R. 3019, the Downpayment Toward a Balanced Budget Act.

Survey and certification activities ensure that institutions and agencies providing care to Medicare and Medicaid beneficiaries meet Federal health, safety and program standards. On-site surveys are conducted by State survey agencies, with a pool of Federal surveyors performing random monitoring surveys. Almost 31,500 facilities are expected to be reviewed in 1997.

Federal administration

The bill includes \$325,925,000 to support Federal administrative activities related to the Medicare and Medicaid programs. This is \$33,917,000 below the Administration request and the same as the amount available in 1996.

The Committee urges HCFA to modify its regulations to clarify that where a Medicare certified physical or occupational therapist in independent practice engages licensed physical or occupational therapists, it is not necessary for the Medicare certified therapist in independent practice to be on the premises in order for those services to be reimbursed as covered Medicare services.

The Committee notes that thousands of lung reduction surgeries are being performed each year in the United States, and that demand for this procedure is growing. The Committee further notes that the Health Care Financing Administration reimbursed this procedure when requested to do so through Medicare until December, 1995. The Committee directs HCFA to report to the Congress within 120 days with an explanation of the termination of payment for these procedures and a plan, for periodic reconsideration, which will address future Medicare funding of lung volume reduction surgery.

The Committee is pleased that HCFA is sponsoring a clinical trial to determine the efficacy of lung reduction surgery techniques. The Committee urges HCFA to conduct a comprehensive trial that includes all the techniques currently used so that reimbursement decisions can be made on the basis of full and complete data.

The Committee encourages HCFA, prior to clarifying any reimbursement policies pertaining to provider-based rural health clinics, to study and evaluate the effect of reducing these payments upon access to and availability of medical services and the quality of health care services.

ADMINISTRATION FOR CHILDREN AND FAMILIES

FAMILY SUPPORT PAYMENTS TO STATES

The bill includes authority to spend \$18,101,000,000 during fiscal year 1997 for Family Support Payments to States, an increase of \$86,693,000 over the appropriation for fiscal year 1996 and the same as the budget request. The fiscal year 1997 amount includes \$4,800,000,000 in advance funding that was provided in the fiscal year 1996 Act.

This appropriation combines funding for the assistance payments and child support enforcement programs. The assistance payments programs are administered by State welfare agencies under individual plans developed by each State consistent with Federal requirements. The largest of the programs is Aid to Families with Dependent Children (AFDC) which provides basic cash benefits for

needy children. The Federal program finances on average over 50 percent of the cash benefits provided to AFDC households.

The appropriation includes \$1,867,000,000 for Emergency Assistance payments, an increase of \$893,000,000 over the fiscal year 1996 appropriation. These payments were established to provide temporary assistance to needy families with children and are administered by State and local welfare agencies under State plans approved by the Department. The appropriation provides assistance to prevent destitution of children and to meet emergency needs resulting from natural disasters, homelessness, family violence, child abuse and neglect. Benefits may include payments for rent, utilities, food, clothing, temporary shelter, alternative living arrangements, medical assistance, and family support services. The Committee is concerned about the impact of the Administration's action transmittal of September 12, 1995 terminating Federal funding under the Emergency Assistance program for the costs of benefits and services provided to children in the juvenile justice system, effective December 31, 1995. The Committee encourages the Secretary to reconsider the effective date of this policy change and delay implementation of the action transmittal until September 30, 1996 in order to allow States adequate time to plan to replace federal funds with alternative resources.

The Child Support Enforcement program was created to locate absent parents, enforce their support obligations, and establish paternity. The Federal government provides over 80 percent of the costs incurred by State and local governments in administering the program.

The appropriation includes \$1,147,000,000 for the child care expenses authorized by Title IV-A of the Social Security Act for participants in the JOBS program and transitional child care for up to 12 months for former AFDC recipients who have left the rolls due to increased income from employment. In addition to this amount, the appropriation includes \$300,000,000 for the At-Risk Child Care program established in the Omnibus Budget Reconciliation Act of 1990 to serve low-income working families in need of child care and at risk of becoming eligible for AFDC.

The bill also provides an advance appropriation of \$4,700,000,000 for fiscal year 1998 to ensure timely completion of first quarter payments.

JOB OPPORTUNITIES AND BASIC SKILLS (JOBS)

The bill provides \$1,000,000,000 for the Job Opportunities and Basic Skills (JOBS) program, which is the same as the budget request and the comparable fiscal year 1996 appropriation. The JOBS program provides education, training and employment services to AFDC recipients to help them obtain employment leading to self-sufficiency and to avoid long-term welfare dependency. All 50 states and 77 Indian Tribes and Alaska Native Organizations operate JOBS programs which must include high school or equivalent education, basic and remedial education, and services for those with limited English proficiency. JOBS programs must also provide job skills training, job readiness, job development and placement services, and at least two of the following programs: group and individual job search, on-the-job training, work supplementation, and

community work experience. States must provide matching funds and receive Federal funds up to the limit of their entitlements as determined by formula.

LOW INCOME HOME ENERGY ASSISTANCE

The bill provides \$900,000,000 for the Low Income Home Energy Assistance program (LIHEAP), an increase of \$3,000 above the amount made available through regular appropriations in fiscal year 1996, and \$100,000,000 less than the budget request. In addition, \$120,000,000 in prior year funding and \$300,000,000 provided in the fiscal year 1996 funding bill is available for LIHEAP upon Presidential submission to Congress of a budget request designating the amount of the request as an emergency for the purposes of the Budget Act. Therefore, in combination with prior year appropriations, the bill makes available a total of \$1,320,000,000 for LIHEAP for fiscal year 1997.

The Committee notes that according to testimony provided by the Administration during the fiscal year 1997 budget hearings, real energy prices have declined dramatically in recent years and the composite average price for all fuel types has declined 23% since 1983. At the same time, the Administration testified that LIHEAP recipients spend 25% less of their household income on residential heating than in 1983 and 36% less on space heating.

The LIHEAP program provides assistance to low income households in meeting the costs of home energy. Funds are provided through grants to States, Indian Tribes and territories, and are used for summer cooling and winter heating/crisis assistance programs.

REFUGEE AND ENTRANT ASSISTANCE

The bill provides \$412,076,000 for refugee assistance programs, \$9,910,000 above the fiscal year 1996 appropriation and \$30,540,000 above the President's request. In addition, the bill provides the Office of Refugee Resettlement (ORR) the authority, not requested by the President, to carry over unexpended funds from the fiscal year 1995 appropriation to reimburse the cost of services provided in fiscal years 1996 and 1997. The Committee anticipates this provision will make available to ORR an additional \$9,300,000.

Transitional and Medical Services

The bill provides \$246,502,000 for transitional and medical services, a decrease of \$16,765,000 below the comparable fiscal year 1996 appropriation and the same as the budget request. The bill continues the policy of providing eight months of assistance to new arrivals, and the reduction below the fiscal year 1996 appropriation is due entirely to fewer anticipated arrivals in fiscal year 1997, not to reductions in service. The transitional and medical services activity provides funding for the state-administered cash and medical assistance program which assists refugees who are not categorically eligible for AFDC or Medicaid, the unaccompanied minors program which reimburses States for the cost of foster care, and the voluntary agency grant program in which participating national refugee resettlement agencies provide resettlement assistance with a combination of Federal and matched funds.

Social Services

The bill provides \$110,882,000 for social services, an increase of \$30,080,000 over the comparable fiscal year 1996 appropriation and the budget request. Funds are distributed by formula as well as through the discretionary grant making process for special projects. In addition, the Committee has transferred activities previously funded through the Targeted Assistance program to the Social Services program. The Committee agrees that \$19,000,000 is available for assistance to serve communities affected by the Cuban and Haitian entrants and refugees whose arrivals in recent years have increased. The Committee has set-aside \$11,079,000 for increased support to communities with large concentrations of refugees whose cultural differences make assimilation especially difficult justifying a more intense level and longer duration of Federal assistance.

The Committee recommends that ORR give special consideration in allocating grant funding to applicants providing rehabilitation services for victims of physical and mental torture. The Committee requests that ORR be prepared to testify regarding its activities in support of victims of torture during the fiscal year 1998 budget hearings.

Preventive Health

The bill provides \$4,835,000 for preventive health activities, an increase of \$2,135,000 above the comparable fiscal year 1996 appropriation and the same as the budget request. The Committee commends the Department for its recent protocol on domestic preventive health activities for refugees and intends that funding provided for preventive health be expended in full accord with the fiscal year 1997 budget request submitted to the Congress.

Targeted Assistance

The bill provides \$49,857,000 for the targeted assistance program, a decrease of \$5,540,000 below the fiscal year 1996 appropriation and \$460,000 above the budget request. The Committee has transferred funds for discretionary activities previously provided under targeted assistance to the social services programs. The Committee intends that remaining funding be allocated according to the formula contained in the House and Senate versions of H.R. 2202.

CHILD CARE AND DEVELOPMENT BLOCK GRANT

The bill includes \$950,000,000 for the Child Care and Development Block Grant program, which is an increase of \$15,358,000 over the fiscal year 1996 appropriation and \$98,825,000 below the request. This appropriation is expected to provide child care for about 740,000 children in fiscal year 1997. The Committee notes that this program again this year lacks an authorization for appropriations. The bill provides that \$13,000,000 of the amount appropriated shall become available for obligation on October 1, 1996. The Department is instructed to obligate those funds immediately for the purposes of supporting resource and referral programs and before- and after-school services.

The Child Care and Development Block Grant program was enacted in the Omnibus Budget Reconciliation Act of 1990 to increase the availability, affordability and quality of child care by providing funds to States, Territories and Indian Tribes for child care services for low-income families. Under the authorizing law, 75 percent of the Block Grant funds must be used for child care services provided to eligible children on a sliding fee scale basis, as a contracted service or through a certificate program; and for activities designed to improve the quality and availability of care. Of these 75 percent funds, grantees must spend at least 90 percent for services, and no more than 10 percent on administration. Of the remaining 25 percent Block Grant funds, 75 percent must be used for early childhood development and before- and after-school services; 20 percent must be used for improvement in the quality of child care services, including resource and referral programs; and the remaining 5 percent may be used for any of the stated purposes.

The Committee feels strongly that the States should be addressing the matters of before- and after-school care and the establishment of resource and referral programs with the funds provided in this program. The law seems clear that the States are to do this. The Department should issue instructions to the States to strongly encourage them to support these important services.

SOCIAL SERVICES BLOCK GRANT

The bill provides \$2,480,000,000 for the social services block grant (SSBG), which represents an increase of \$99,000,000 over the amount provided in fiscal year 1996 and a decrease of \$320,000,000 below the budget request and the amount authorized for fiscal year 1997.

SSBGs are designed to encourage States to furnish a variety of social services to needy individuals to prevent and reduce dependency, help individuals achieve and maintain self-sufficiency, prevent or reduce inappropriate institutional care, secure admission or referral for institutional care when other forms of care are not appropriate, and prevent neglect, abuse and exploitation of children and adults.

Funds are distributed to the territories in the same ratio such funds were allocated in 1981. The remainder of the appropriation is distributed to the States and the District of Columbia according to population.

CHILDREN AND FAMILIES SERVICES PROGRAMS

The bill includes \$4,881,394,000, an increase of \$94,066,000 over the fiscal year 1996 amount and a reduction of \$419,285,000 below the budget request. This account finances a number of programs aimed at enhancing the well-being of the Nation's children and families, particularly those who are disadvantaged or troubled. The Committee notes that a significant number of programs in this account have no authorization for appropriations for fiscal year 1997.

Head Start

The bill includes \$3,600,000,000 for the Head Start program for fiscal year 1997, an increase of \$30,671,000 over the fiscal year 1996 amount and \$381,000,000 below the budget request. The

Committee notes that this program was increased by \$2.4 billion from fiscal year 1989 to fiscal year 1996; this was a 200 percent increase in six years.

Head Start provides comprehensive development services for children and their families. Intended for preschoolers from low income families, the program seeks to foster the development of children and enable them to deal more effectively with both their present environment and later responsibilities in school and community life. Head Start programs emphasize cognitive and language development, emotional development, physical and mental health, and parent involvement to enable each child to develop and function at his or her highest potential. At least ten percent of enrollment opportunities in each State are made available to handicapped children.

Grants to carry out Head Start programs are awarded to public and private non-profit agencies. Grantees must contribute 20 percent of the total cost of the program; this is usually an in-kind contribution. The Head Start Act does not include a formula for the allotment of funds to grantees; however, it does require minimum State allocations. The Act requires 87 percent of Head Start's appropriation to be distributed among States based on: (1) the relative number of poor children; and (2) the number of recipients of Aid to Families with Dependent Children in each State as compared to all States. In addition, grants, cooperative agreements and contracts are awarded in the areas of research, demonstration, technical assistance and evaluation from the remaining 13 percent.

There has been much concern expressed that the program has had difficulty in properly managing and programming the huge increase in funding over the past several years; local grantees in many cases have been hard pressed to find qualified teachers and decent facilities to accommodate increased enrollment.

Despite the fact that the program is 30 years old, rigorous evaluation of it has been minimal. The Committee believes the Department should establish and maintain a rigorous evaluation component for Head Start. We need to have hard evidence that the program is doing what it is supposed to be doing. Further, solid performance standards have been lacking in Head Start, although the Department claims to be making progress. The Department must continue to give close attention to completing and enforcing the new performance standards.

The Committee applauds the Head Start Bureau for recognizing the needs of homeless children and their families by continuing to fund slots for homeless preschoolers in the fiscal year 1996 budget. Homeless families represent the fastest growing portion of the homeless population, yet most Head Start and other preschool programs lack the specialized training and outreach necessary to serve these high-risk children. The Committee urges the Bureau to continue its investment in programs which meet the needs of homeless children and their families in fiscal year 1997.

Runaway and homeless youth

The bill includes \$58,602,000 for runaway and homeless youth activities, the same as the amount available for fiscal year 1996 and a reduction of \$9,970,000 below the budget request. The budg-

et request proposed to consolidate these programs; the Committee has not done this because it is not authorized by law.

The basic program, for which the bill includes \$43,653,000, the same as the fiscal year 1996 amount, is intended to help address the needs of runaway and homeless youth and their families through support of activities sponsored by State and local governments and private nonprofit agencies. Grants are used to develop and strengthen community-based facilities which are outside the law enforcement structure and the juvenile justice system. The Runaway and Homeless Youth Act mandates that funds for this program be allocated to each State on the basis of its youth population under 18 years of age in proportion to the national total. Runaway Youth programs have been very successful in reuniting runaway children with their families and preventing runaways which, in turn, decreases the number of high school dropouts, incidents of juvenile drug abuse, crime and incarceration.

The Committee has provided \$14,949,000 for the transitional living program for homeless youth, the same as the fiscal year 1996 amount. The program was created to serve those young people who cannot return home. Funds are used to provide appropriate shelter and services for up to 18 months for youths ages 16–20 who have no safe available living arrangements. Services are designed to help youth move towards self-sufficient and independent living, and to prevent long-term dependency on social services. In addition to shelter, such services may include education, vocational training, basic life skills, interpersonal skills building, and mental and physical health care. Grants are available to public and private programs.

The bill includes no funding for the drug education and prevention program for runaway and homeless youth. The purpose of this program is to reduce and prevent the illicit use of drugs by runaway and homeless youth. This same purpose can be achieved more efficiently by the States through the Federally-funded substance abuse block grant which is funded at \$1.2 billion for fiscal year 1997. The elimination of small categorical programs also saves Federal administrative costs, and it reduces bureaucratic paperwork and grant forms that must be filled out by the local providers.

In addition, the bill includes \$2,000,000 for a program funded from the Violent Crime Trust Fund which is designed to reduce the sexual abuse of runaway youth. The original budget request of the President did not propose to fund this program; the fiscal year 1996 amount was \$5,558,000.

Child abuse

For child abuse prevention and treatment, the Committee recommends \$35,180,000, the same as the fiscal year 1996 level. The total amount recommended includes \$21,026,000 for State grants and \$14,154,000 for discretionary projects; these amounts are the same as the fiscal year 1996 amounts. No funding is provided for the Advisory Board on Child Abuse and Neglect. The child abuse programs attempt to improve and increase activities at all levels of government which identify, prevent, and treat child abuse and neglect through State grants, technical assistance, research, demonstration, and service improvement.

Temporary child care/crisis nurseries

The bill includes no separate categorical funding for temporary child care for handicapped children and crisis nurseries. The fiscal year 1996 amount was \$9,835,000. The President also proposes to end this separate program in his budget request. For the past ten years, these funds have supported demonstration projects to help private and public agencies and organizations to provide temporary non-medical child care for handicapped children and children with chronic or terminal illnesses; and provide crisis nurseries and referral to support services for abused or neglected children or children at risk of abuse and neglect. The Committee believes that after ten years the demonstration period must come to an end. Funding for these types of activities is available through other funding sources, including State and local programs and other Federal programs.

Abandoned infants assistance

The Committee recommends \$12,251,000 for the Abandoned Infants Assistance Act, the same as the fiscal year 1996 appropriation and a reduction of \$2,155,000 from the budget request. The purpose of this program is to provide financial support to public and non-profit private entities to develop, implement, and operate demonstration projects that will prevent the abandonment of infants and young children; identify and address their needs, especially those infected with HIV; assist such children to reside with their natural families or in foster care, as appropriate; provide respite care for families and caregivers; and recruit and train caregivers. Grantees must establish a care plan and case review system for each child.

Child welfare services

The bill includes \$277,389,000 for child welfare services, the same as the fiscal year 1996 amount and \$14,600,000 below the budget request. This program authorized by title IV-B of the Social Security Act provides grants to States to assist public welfare agencies establish, extend, and strengthen child welfare services in order to enable children to remain in their homes under the care of their parents, or, where that is not possible, to provide alternative permanent homes for them.

The bill includes \$4,000,000 for child welfare training; the fiscal year 1996 amount was \$2,000,000. The Committee recognizes the need for trained, skilled and qualified child welfare protection personnel. This program provides teaching and traineeship grants to schools of social work to train social workers in the specialty of child welfare.

Adoption opportunities

The Committee recommends \$11,000,000 for adoption opportunities, the same as the fiscal year 1996 amount. This activity funds a national adoption data gathering and analysis system, including a national information exchange, and implements adoption training and technical assistance programs.

Family violence

The Committee recommends \$57,601,000 for family violence prevention and services, which is an increase of \$9,958,000 over the fiscal year 1996 level and \$9,982,000 over the March budget request. This program is designed to assist States in efforts to prevent family violence and to provide immediate shelter and related assistance for victims of family violence and their dependents, and to provide for technical assistance and training relating to family violence programs to State and local public agencies (including law enforcement agencies), nonprofit private organizations, and persons seeking such assistance. As was the case in fiscal year 1996, a portion of this funding, \$24,958,000, is derived from the Violent Crime Trust Fund. The bill also includes \$400,000 to continue funding a domestic violence hotline. These funds also come from the Trust Fund.

The President has requested an additional \$13,600,000 to fund a community schools program under the 1994 Crime Bill; the Committee does not recommend funding for this. These activities can be funded under other Federal programs.

Social services research

As was the case in fiscal year 1996, the bill includes no separate funding for social services research. These funds in the past have supported research, demonstration, evaluation and dissemination activities. This includes such things as welfare reform, youth services and child support enforcement. Demonstrations related to the AFDC program have also been carried out.

Teen pregnancy prevention

The Committee has not approved the \$30,000,000 request from the Administration to fund another teen pregnancy initiative. It seems to the Committee that there are other Federal programs that are already pursuing this goal, such as the adolescent family life program, the maternal and child health program, community health centers and the family planning program. It is not apparent to the Committee why the taxpayers should spend \$30,000,000 to start another Federal program which clearly duplicates what others are already doing.

Community-based resource centers

The bill includes no funding for this program for fiscal year 1997. The fiscal year 1996 amount was \$23,000,000. The President's budget requested a substantial increase to \$50,569,000 for fiscal year 1997.

According to the Department, the purpose of this program is "to assist each State in implementing/enhancing a statewide system of family resource services through innovative funding mechanisms * * * and to support * * * community-based child abuse and neglect prevention activities * * *". It would seem that the States should be doing these things on their own without financial assistance from the Federal government. It would just be sound management on the part of the States to pull together and coordinate various social service programs for families. Further, child abuse ac-

tivities are already funded under the Child Abuse Prevention and Treatment Act grants to States.

Developmental disabilities

For programs authorized by the Developmental Disabilities Assistance Act, the Committee recommends \$108,982,000, a reduction of \$5,250,000 below the amount available for fiscal year 1996 and \$12,868,000 below the budget request. The total includes \$64,803,000 for allotments to the States to fund State Councils, the same as fiscal year 1996. These Councils engage in such activities as planning, policy analysis, demonstrations, training, outreach, interagency coordination, and public education. They do not provide direct services to the developmentally-disabled population.

In addition, \$26,718,000 will be available to the States to be used for operating an advocacy program to protect the rights of the developmentally disabled. This is the same as the fiscal year 1996 level.

The bill includes no funding for special discretionary projects for training, technical assistance and demonstration. The fiscal year 1996 funding level was \$5,250,000. These activities are clearly not a high priority in times of severe fiscal constraint, and they do not provide any direct services to developmentally-disabled people.

The Committee approves a total of \$17,461,000 for grants to university affiliated facilities and satellite centers to support the cost of administering and operating demonstration facilities and interdisciplinary training programs. This is the same as the fiscal year 1996 level. These are discretionary grants to public and private non-profit agencies affiliated with a university. These grants provide basic operational and administrative core support for these agencies. In addition, these funds support interdisciplinary training, community services, technical assistance to State agencies and information dissemination.

Native American programs

The bill includes \$34,933,000, the same as the fiscal year 1996 level and a reduction of \$3,449,000 below the amount requested in the budget. The Administration for Native Americans assists Indian Tribes and Native American organizations in planning and implementing their own long-term strategies for social and economic development. In promoting social and economic self-sufficiency, this organization provides financial assistance through direct grants for individual projects, training and technical assistance, and research and demonstration programs.

Community Services Block Grant

The bill includes \$531,941,000 for Community Services activities, which is \$96,482,000 above the fiscal year 1996 level and \$142,341,000 over the budget request.

For the State Block Grant, the bill includes \$489,600,000, which is an increase of \$100,002,000 over the fiscal year 1996 level. The President proposed no increase in the program for fiscal year 1997. This program provides grants to States for services to meet employment, housing, nutrition, energy, emergency services, and health needs of low-income people. By law, 90% of these funds are passed

directly through to local community action agencies which have previously received block grant funds. The Committee has become convinced that this program provides the kind of flexibility at the local level necessary to assist people who are in temporary need of government assistance to get back on their feet. As a result, a substantial funding increase has been provided. The Committee expects to be able to see quantifiable results because of the increased funding.

The bill includes \$27,332,000 for community economic development grants, which is the same as the fiscal year 1996 level. The President proposed not to fund this. These activities provide assistance to private, locally-initiated community development corporations which sponsor enterprises providing employment, training and business development opportunities for low-income residents. The bill also includes \$3,009,000 for rural community facilities, the same as the fiscal year 1996 level. The President proposed no funding for this. These grants are provided to multi-state, regional, private nonprofit organizations to provide training and technical assistance to small, rural communities in meeting their community facilities needs. The Committee believes that these two activities could not be done by local community action agencies.

The bill includes \$12,000,000 for the National Youth Sports Program, which is an increase of \$480,000 over the fiscal year 1996 level. The President proposed no funding for this program. These funds are made available to a private, non-profit organization to provide recreational activities for low-income youth, primarily in the summer months. College and university athletic facilities are employed in the program.

The bill provides no funding for the Community Food and Nutrition program, which was funded at \$4,000,000 in fiscal year 1996. There is no budget request for it. The program does not provide any direct feeding services. It provides grants to public and private agencies to coordinate existing food assistance programs, to identify sponsors of child nutrition programs and attempt to initiate new programs and to do advocacy work at the State and local levels. These are activities that could just as easily and probably more appropriately be funded by the States and local governments. It is important to try to eliminate these kinds of small categorical Federal funding streams, each with its own set of rules and regulations, grant applications and Federal staff.

Program direction

The Committee has approved \$147,115,000 for program direction expenses of the Administration for Children and Families, a reduction of \$3,002,000 below the fiscal year 1996 level and \$13,164,000 below the budget request. This represents a 2 percent reduction below the fiscal year 1996 level.

The Committee understands that the agency has created an advisory group to address the issue of private funding in the JOBS program. The Committee strongly urges the Secretary to establish, within three months, consistent policies to address this matter, especially in those cases where the private funds are provided in the nature of a "donation" as all or part of the non-Federal share of program costs in the JOBS program.

FAMILY PRESERVATION AND SUPPORT

The bill provides \$240,000,000 for the family preservation and support account, an increase of \$15,000,000 over the comparable fiscal year 1996 appropriation and the same as the budget request. This capped entitlement program provides grants to States to develop and expand innovative child welfare services including family preservation, family reunification, and community-based family support services for families at-risk or in crisis. The fiscal year 1997 funding will provide the third year of funding to States and Indian Tribes to provide family preservation and support services based on State and Tribal plans developed with fiscal year 1994 funding.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

The bill provides \$4,445,031,000 for payments to States for foster care and adoption assistance, an increase of \$122,793,000 over the fiscal year 1996 appropriation and the same as the budget request.

Of the total appropriation, the bill provides \$3,807,143,000 for the foster care program which provides maintenance payments to States on behalf of children who must live outside their homes. This amount represents an increase of \$64,805,000 above the fiscal year 1996 appropriation and is the same as the budget request. The appropriation is sufficient to fund estimated costs under current law and is based on an estimated average of 285,000 children served per month, an increase of 12,100 over the estimated fiscal year 1996 monthly average. According to the budget request, the number of claims for foster care payments continues to increase substantially due to new caseloads related to crack cocaine use, AIDS and other relatively intractable problems. In addition, payments have increased in some States for relative caregivers and State efforts to more thoroughly review their caseload for eligibility for Federal payments.

The bill also includes for the first time an advance appropriation of \$1,111,000,000 for the first quarter of fiscal year 1998. The Administration requests this advance appropriation for the first time in order to ensure timely completion of first quarter grant awards.

Within the total appropriation the bill provides \$567,888,000 for adoption assistance, the same as the budget request and an increase of \$57,988,000 over the fiscal year 1996 appropriation. This program provides training for parents and State administrative staff as well as payments on behalf of categorically eligible children considered difficult to adopt. This annually appropriated entitlement is designed to provide alternatives to long, inappropriate stays in foster care by developing permanent placements with families. In fiscal year 1997, all States and the District of Columbia are expected to participate in this program. The budget request reflects an estimate of 131,200 children served per month, an increase of 12,400 over the monthly estimate for fiscal year 1996 of 118,800. The Committee notes that according to the budget request, the appropriation for this program has more than doubled since the fiscal year 1992 appropriation of \$220,726,000. At the same time, the number of children served has increased from 60,000 to an estimated 131,200. The Committee directs the Department to submit

data regarding the net cost-effectiveness of this program with the fiscal year 1998 budget justification.

Within the total appropriation for this account, the bill provides \$70,000,000 for the independent living program, the same as the fiscal year 1996 appropriation and the budget request. The program is designed to assist foster children age 16 or older to make successful transitions to independence. Funds assist children to earn high school diplomas, receive vocational training, and obtain training in daily living skills. Funds are awarded to States on the basis of the number of children on behalf of whom Federal foster care payments are received.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

For programs administered by the Administration on Aging, the Committee recommends a total of \$810,545,000, which is \$18,775,000 below the fiscal year 1996 level and \$17,592,000 below the budget request. This account finances all programs under the Older Americans Act in this bill, with the exception of the Community Services Employment Program under title V, which is appropriated to the Department of Labor. However, in fiscal year 1997, title V funds will be transferred to, and the program administered by, the Administration on Aging. The President proposed this transfer, and the authorizing committees have indicated that they are in agreement with it. However, the transfer of funds is contingent upon enactment of the authorizing legislation. The Committee notes that the older Americans programs again this year lack an authorization for appropriations.

Supportive services and centers

The Committee has included \$300,556,000 for support services and centers. The amount provided is the same as the fiscal year 1996 level and an increase of \$5,769,000 over the budget request. Funds for this program are awarded to each State with an approved State plan. The formula under title III of the Older Americans Act mandates that no State be allotted less than the total amount allotted to it in fiscal year 1987. The statute also requires that additional funds be distributed on the basis of each State's proportionate share of the total age 60 and over population, with no State receiving less than one-half of one percent of the funds awarded. The funds contained in the bill will support coordinated, comprehensive service delivery systems at the local level.

The States have the ability under the basic law to transfer up to 20% of funds appropriated between the senior centers program and the nutrition programs; this allows the State to concentrate its resources in the program it deems most critical. Many States do transfer funds into this program from the congregate meals program.

Ombudsman/elder abuse

The bill includes no separate funding for the State long-term care ombudsman activities. The fiscal year 1996 funding level was \$4,449,000. This separate appropriation is a funding stream to fi-

nance the staffing of State Offices of Ombudsman Services for older people. This funding is a relatively small portion of total funding for this purpose; States use funding under title III of the Older Americans Act, the basic senior centers and nutrition programs, and they also use some of their own funds. In fiscal year 1994, over \$41 million was spent for this purpose. It is not necessary to also have this small separate appropriation for this purpose.

The bill includes no separate funding for the elder abuse prevention program authorized by title VII of the Older Americans Act. The fiscal year 1996 funding level was \$4,732,000. This is basically a program to call attention to the problem of elder abuse, and it would not appear to be a Federal responsibility. Such an effort is certainly something that could be financed through the private sector through the use of public service ads.

The Committee is trying to reduce the number of small categorical programs, all of which have separate grant applications, rules and regulations and Federal staff. This effort is especially pronounced where there are other funding sources available to accomplish the same purpose.

Pension counseling

As was the case in the fiscal year 1996 appropriations act, the bill includes no funding for an outreach and counseling program authorized under section 741 of the Older Americans Act. This activity should be carried out by the local area agencies on aging with funds provided under title III of the Older Americans Act. There is really no justification for a separate small categorical program to counsel older people about Medigap policies, long-term care insurance, pensions, public assistance programs and food stamps, all of which can be done under the broader title III authorities. Information on these activities is available in a number of different places. Further, this is a State formula grant program that sends small amounts of money to all 50 States. A number of States received as little as \$10,000 a year under the formula, hardly enough to have any impact.

Preventive health

The bill includes no separate funding for preventive health services authorized under part F of title III of the Act. The fiscal year 1996 funding level was \$15,623,000. This activity should be carried out by the local area agencies on aging with funds provided under title III. Separate small categorical programs to provide certain preventive health services are expensive to administer and have little impact on the vast majority of seniors. Further, there are other Federal programs that provide similar kinds of services. These would include the preventive health services block grant, the breast cancer screening and control program and the chronic diseases program in the Centers for Disease Control and Prevention. In addition, the private sector does some health screening activities as well. This would include such groups as the American Heart Association and the American Cancer Society.

Nutrition programs

For congregate nutrition services, the Committee includes \$364,535,000, the same as the fiscal year 1996 level and an increase of \$7,516,000 over the budget request. For home-delivered nutrition services, the Committee provides \$105,339,000, the same as the fiscal year 1996 amount and \$11,148,000 over the budget request. These programs are intended to address some of the difficulties confronting older individuals, namely: nutrition deficiencies due to inadequate income, lack of adequate facilities to prepare food, and social isolation. About 226 million meals will be provided either in congregate sites or through the home delivery program.

The States have the ability under the basic law to transfer up to 20% of funds appropriated between the senior centers program and the nutrition programs; this allows the State to concentrate its resources in the program it deems most critical.

The nutrition programs also collect substantial sums each year in voluntary contributions from participants; private sector funds are also contributed. In fiscal year 1994, over \$101 million was collected for the congregate nutrition program and over \$72 million for the home-delivered program. Volunteers also make a significant contribution to these programs.

Frail elderly services

For frail elderly in-home services the bill includes \$9,263,000, the same amount as the fiscal year 1996 appropriation and the budget request. These funds will be used to assist frail older persons in maintaining their independence and self-sufficiency. By supporting the provision of services to frail older people in their homes, the funds will help the vulnerable elderly avoid institutionalization and increase their access to needed assistance.

Grants to Indian tribes

The bill provides \$16,057,000 for grants to Indian tribes. This is the same as the fiscal year 1996 amount and the budget request. Funds under this program are awarded to tribal organizations to be used to promote opportunities for older Indians, to secure and maintain independence and self-sufficiency, and to provide transportation, nutrition, health screening and other services to help meet the needs of this population.

Research, training and special projects

The bill provides no funding for research, training and special projects under title IV of the Older Americans Act. The fiscal year 1996 funding level was \$2,850,000. The President requested \$11,666,000 for fiscal year 1997. Funds under this program were used to support education and training activities for personnel working in the field of aging and to finance research, development, and demonstration projects. Although the Committee agrees that some of these activities are important to older Americans, it simply does not have the discretionary funding resources to fund them this year.

Program administration

The bill includes \$14,795,000 for program administration expenses of the Administration on Aging. This is \$302,000 below fiscal year 1996 amount and \$1,994,000 below the budget request. This is a 2 percent reduction below the fiscal year 1996 level. This activity provides administrative and management support for all Older Americans Act programs administered by the Department. No funding is provided for the Federal Council on Aging.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

The bill includes \$154,850,000 for general departmental management, an increase of \$9,296,000 over the fiscal year 1996 amount and \$9,500,000 over the budget request. Included in this amount is authority to spend \$5,851,000 from the Medicare trust funds. The Committee has not provided separate funding for the Office of Emergency Preparedness, the Office of Research Integrity or the Office of Disease Prevention and Health Promotion. The Department will have to fund these activities within total funds available for departmental management. The Committee expects that any reductions below the fiscal year 1996 level will be taken in the Offices of the Secretary and Deputy Secretary, the Assistant Secretary for Legislation, the Assistant Secretary for Public Affairs, the immediate office of the Assistant Secretary for Health and the Office of Intergovernmental Affairs.

This appropriation supports those activities that are associated with the Secretary's roles as policy officer and general manager of the Department. The Office of the Secretary also implements Administration and Congressional directives, and provides assistance, direction and coordination to the headquarters, regions and field organizations of the Department. It also supports several small health activities that were formerly funded in the Office of the Assistant Secretary for Health.

The Committee is concerned that the fragmentation of research, demonstration and evaluation authorities is a significant problem for the Department and that there seems to be little coordination among these different authorities. The Committee commends the Department on its "Report on Research, Demonstration and Evaluation Activities and Funding Levels Requested for Fiscal Year 1997". The Committee instructs the Department to continue to submit this document to the Committee as part of the President's budget request each year. In addition, the Committee wants the Department to expand its definition of activities covered by the report so that all health services research and related prevention research and demonstration activities of the National Institutes of Health are included.

The Department is instructed to include, as a footnote within its audited financial statements, information on revenues, both to the Department and to the Federal Government, resulting from the activities of the Department's Inspector General and specifically to identify measurable "funds put to better use" as additional budgetary resources.

Each of the departments under the Committee's jurisdiction is statutorily required to have audited financial statements covering all the department's accounts and activities. Congress enacted this requirement in the Government Management Reform Act of 1994 after having observed the benefits of the pilot program of audited financial statements that had been required by the Chief Financial Officers (CFO) Act of 1990. An audited financial statement is like a "scorecard" that reflects a department's progress in achieving the significant financial management reforms required by the CFO Act, and in providing effective stewardship and management of government funds. Accordingly, the Committee expects the Department to work vigorously towards obtaining a clean opinion on its financial statements. The transfer and reprogramming authority the Committee has granted provides substantial flexibility to the Department and is particularly valuable during periods of increasing fiscal constraints. However, the Committee questions the extent to which agencies can properly exercise such authority and accurately account for affected funds if they have not made substantial progress towards achieving the CFO Act's financial management reforms. Accordingly, in subsequent years, the Committee will consider the Department's progress in making such reforms and in obtaining a clean opinion on its financial statements when scrutinizing requests for current appropriations and in deciding whether to continue, expand or limit transfer and reprogramming authority.

Office of Research Integrity.—The Committee is aware of concerns expressed in some quarters concerning the operations of the Office of Research Integrity. There have been delays, sometimes lengthy, in some investigations undertaken; this is not fair to the parties involved. In addition, concerns have been expressed about the seeming lack of due process in the office's proceedings. These are troubling to the Committee. The Secretary is requested to review the operations of this office and, if she agrees that improvements are needed in some procedures, to submit a plan to the Committee outlining the needed improvements and what steps she plans to take to implement them.

The Committee requests that the Secretary continue the Chronic Fatigue Syndrome Interagency Coordinating Committee (CFSICC). The Committee is concerned that with the elimination of the former Office of the Assistant Secretary for Health both the leadership and resources necessary to continue the CFSICC are jeopardized. The Committee believes that the Assistant Secretary for Health should chair the CFSICC and use this body to coordinate CFIDS research across the Public Health Service by creating a yearly action plan. The Committee encourages the Secretary to include the Health Resources and Services Administration as a member of the committee. The Committee is pleased that the process for granting a formal charter is near completion and expects that it will be finished expeditiously. The Committee recognizes that there is a consensus in the CFIDS community that the name chronic fatigue syndrome does not adequately describe the complex nature of the illness. The Committee asks the Secretary to convene a committee for the purpose of examining this issue and to report back within 6 months of the bill's enactment with recommenda-

tions for a new scientific name or eponym that more appropriately describes the illness known as chronic fatigue syndrome.

The Committee is concerned with the fragmentation of research on the safety of silicone breast implants and the relationship, or lack thereof, between silicone gel breast implants and connective tissue disease, classic auto-immune symptoms and other serious diseases. Since the Food and Drug Administration's action in 1992, access to silicone breast implants has been severely limited, leaving breast cancer patients with few health choices. While private studies have been completed on the safety of silicone breast implants, many women have questioned the validity of these studies. The Committee believes an independent study is warranted, and instructs the Secretary of Health and Human Services to enter into a contract with the Institute of Medicine of the National Academy of Sciences to conduct a general review of past and ongoing research on silicone breast implants.

Growing numbers of children, especially children assisted by Medicaid, are enrolled in managed care plans that compete on the basis of the cost and quality of their health care. However, because children account for only a small portion of health care spending, most research devoted to measuring the quality of health care focuses on adult experience. As a consequence, the Committee recognizes the importance of HHS investments in health services and clinical research to evaluate and develop measures of the outcomes of pediatric health care. It also recognizes the need for documentation and coordination of funding in this area. The Committee requests the Secretary to prepare a report that describes pediatric outcomes research projects funded by HHS, annual funding for it in the last three fiscal years, and efforts to coordinate this research in order to maximize its cost effectiveness, particularly for children with special health care needs.

The Committee continues to be concerned about funding levels for pediatric research, and believes a strong commitment to pediatric health research will help to treat, and ultimately prevent, crippling illnesses and diseases that afflict children. Accordingly, the Committee urges the Secretary to identify opportunities to enhance and strengthen research on effective injury and disease prevention for children within the Department's existing portfolio of health research. In addition, the Committee urges the National Institutes of Health to address any gaps in current research identified in its report to the Committee on the status of pediatric health research.

The Committee is concerned about the Public Health Service policy stating that the data generated by federally funded grants is the property of the grantee, not the government, and is available only with permission of the grantee. While the Committee recognizes there could be unintended consequences from legislation mandating the release of data from federally-funded studies, the Committee is sympathetic to American taxpayers who feel that research data supported by tax revenues should be available upon appropriate request. The Committee requests that the Secretary submit an analysis explaining the rationale for the current policy and recommending changes that would address the concerns raised about appropriate public access to Federally-supported data. This

report, which should be submitted prior to the 1998 appropriations hearings, should also include information on how frequently the Public Health Service agencies are approached about their researchers refusing to release Federally-supported data.

Adolescent family life

The bill provides \$7,698,000 for the adolescent family life abstinence counseling program, the same as the fiscal year 1996 appropriation and \$1,511,000 above the President's request.

Physical fitness and sports

The bill includes \$1,000,000 to continue operation of the President's Council on Physical Fitness and Sports, the same as the fiscal year 1996 appropriation and the Administration request for fiscal year 1997. While the Committee believes the Council provides valuable service to the country, some of its activities are widely duplicated throughout the economy and can be provided with non-federal support.

The Council seeks to improve the level of physical fitness nationwide through professional consultation, technical assistance, public information, program evaluation and program development which is provided to school systems, government agencies, employee organizations, private business and industry, and professional organizations.

Minority health

The bill includes \$33,000,000 for the Office of Minority Health, an increase of \$6,000,000 over the fiscal year 1996 appropriation and \$13,055,000 over the President's budget request. The Committee has again this year provided funds for extramural construction, including \$7,500,000 to continue last year's initiative and \$4,000,000 for two new initiatives.

According to the budget request, the Office of Minority Health works with Public Health Service agencies and other agencies of the Department in a "catalytic, coordinative, advocacy and policy development role" to establish goals and coordinate other activities in the Department regarding disease prevention, health promotion, service delivery and research relating to disadvantaged and minority individuals; conclude interagency agreements to stimulate and undertake innovative projects; support research, demonstration, and evaluation projects; and coordinate efforts to promote minority health programs and policies in the voluntary and corporate sectors.

The principal mission is to improve the health status and quality of life for racial and ethnic minority populations in the United States by building local capacity for addressing health and human service problems. The Committee is concerned that improvements in medical science and in the systems designed to improve essential health care services have not adequately benefited racial and ethnic groups in underserved rural and inner city communities. The Committee encourages OMH to give priority consideration to long time producers of disadvantaged and minority primary care practitioners to explore avenues to improve health care services in this area.

The Committee has provided adequate funding for the continuation and growth of a variety of competitive programs through the Public Health Service that emphasize improving the health status of disadvantaged populations, including racial and ethnic minorities. The need for strong support and continued emphasis on these programs is embodied in the mission of the Department of Health and Human Services.

Office on Women's Health

The bill includes \$8,862,000 for the Office on Women's Health, which is \$3,500,000 over the fiscal year 1996 funding level and \$6,292,000 above the Administration request. The Committee notes that each of the Public Health Service agencies under its jurisdiction supports an office or program which focuses on women's health. The Office on Women's Health advises the Secretary and provides Department-wide coordination of programs focusing specifically on women's health.

Currently, women facing health problems, their families, women's health organizations, and health care providers must negotiate a maze of Federal agencies and private sector organizations to find appropriate information on women's health. While a great deal of information is available through the Department, in many instances it is difficult to find or access. The Office on Women's Health has established the National Women's Health Information Center to increase the access of the public and health care providers to critical information on the latest research, drugs and devices, public education messages, treatment options, and health service programs for women.

The Committee is aware of the possibilities that imaging technologies developed by the intelligence, defense and space communities may improve the early detection and diagnosis of breast cancer. The Committee commends the Office on Women's Health for establishing the partnership to foster collaboration between the Department of Health and Human Services, CIA, DOD and the Department of Commerce, NASA, and other Federal agencies.

HHS has undertaken a study of the current curricula used by medical schools to train medical students in women's health and to develop model women's health curricula to aid medical schools in improving their educational programs regarding the conditions, diseases, and health needs of women. The Committee encourages the NIH Office of Women's Health Research, the Health Resources and Services Administration, and the PHS Office on Women's Health to work together to continue this project and to expand it to other appropriate health professions. The Office on Women's Health should give consideration to developing a series of initiatives to encourage leadership of and by women in the field of women's health.

The Committee is aware of the efforts of the Office on Women's Health to strengthen and enhance regional women's health initiatives and program activity within the 10 HHS regions to reach women and health care providers at the State and local levels and to foster State and local government, public and private sector organizations to become partners in improving women's health. The Committee understands that support is provided for full-time regional women's health coordinators in half of the HHS regions. The

Secretary should examine whether staff is required in the other regions.

The Committee has not approved a request for an additional \$5,000,000 to fund anti-terrorism activities carried out by the Department of Health and Human Services. This funding was already provided in the fiscal year 1996 appropriations act and remains available until expended.

OFFICE OF THE INSPECTOR GENERAL

The bill includes \$29,399,000 for the Office of the Inspector General, which is a reduction of \$49,420,000 below the fiscal year 1996 level and \$45,550,000 below the budget request. The Committee has reduced the appropriation for the Inspector General because a large appropriation for this office is contained in H.R. 3103, the health insurance reform bill, which passed the House on March 28 and the Senate on April 23. Total funds provided between this bill and the authorizing bill would be at least \$89,399,000 in fiscal year 1997. The fiscal year 1996 funding level was \$78,819,000.

With respect to the Medicare fraud and abuse activities, the Committee notes that the Congressional Budget Office, in scoring the Health Coverage Availability and Affordability Act of 1996 (HR 3103) projected savings to be achieved under current discretionary funding and additional savings through the increased funding in HR 3103. The Committee instructs the Inspector General of the Department of Health and Human Services to provide the Committee with semi-annual reports on the actual deficit reduction impact of HR 3103. This report will provide separate information on the savings achieved under the assumed funding base and the incremental amounts provided in HR 3103 for the following:

The actual revenues to the federal government as a result of fines, forfeitures, penalties, restitutions and other recoveries;

The actual value of claims paid during the previous six month period and the estimated value of claims denied during the reporting period for providers removed from the program or as a result of policies that have been changed during the reporting period as a result of Inspector General fraud and abuse activities.

In the first report, for the period ending September 30, 1996, the Inspector General will provide the above identified information for the previous six month period under funding made available in the fiscal year 1996 appropriations act.

The Committee is concerned that other measures of savings such as claims filed, costs avoided or other estimates may overstate the return on investment due to funding increases. It therefore instructs the Inspector General, except where directed to do otherwise, to include only those actual revenues to the federal government and the actual dollar value of payments that had been made to providers prior to actions to change or modify payment policies.

The Office of the Inspector General was created by law to protect the integrity of Departmental programs as well as the health and welfare of beneficiaries served by those programs. Through a comprehensive program of audits, investigations, inspections and program evaluations, the OIG attempts to reduce the incidence of

fraud, waste, abuse and mismanagement, and to promote economy, efficiency and effectiveness throughout the Department.

The Committee believes that all of the Inspectors General need to do a better job of accounting for and tracking the savings that they claim to generate by their efforts. More attention must be paid to how much money is actually collected each year and paid back to the Federal government. The Committee directs the Inspector General to report to the Committee each quarter on:

- (1) the actual payments, as a result of fines, restitutions or forfeitures, made to the United States Government as a result of her activities; and
- (2) how "funds put to better use" were used; this report must identify funds made available for use by management and the programs, projects, and activities that were increased as a result of these funds.

The Committee is concerned that the National Cancer Institute may not be adequately overseeing the so-called ASSIST program (the American Stop Smoking Intervention Study Program). Questions have been raised about some of the expenditures in this program. The Committee strongly urges the Inspector General to conduct an audit of the contractors in the program to determine if the funds are being properly spent and that the program is meeting its goals.

OFFICE FOR CIVIL RIGHTS

The bill includes \$19,380,000, the same as the fiscal year 1996 level and \$2,410,000 below the budget request. This includes authority to transfer \$3,314,000 from the Medicare trust funds.

The Office for Civil Rights is responsible for enforcing civil rights statutes that prohibit discrimination in health and human services programs. OCR implements the civil rights laws through a compliance program designed to generate voluntary compliance among all HHS recipients.

POLICY RESEARCH

The bill includes \$9,000,000, about the same as the amount available in fiscal year 1996 and the same as the budget request. The Policy Research account, authorized by section 1110 of the Social Security Act, is the Department's principal source of policy-relevant data and research on the income sources of low-income populations; the impact, effectiveness, and distribution of benefits under existing and proposed programs; and other issues that cut across agency lines.

TITLE III—DEPARTMENT OF EDUCATION

The Committee, in its recommendations for this title continues its concern for the multiple, fragmented programs in the Department of Education. These programs particularly focus on research, demonstration, technical assistance, dissemination and evaluation activities as well as programs that focus on narrow constituencies which are served by broader Departmental programs. The administration, in response to inquiries from the Committee, indicated that there are five general research, demonstra-

tion, dissemination and evaluation authorities administered by the Department of Education and twenty-eight specific authorities. These programs were funded in fiscal year 1996 at over \$580 million. The fragmented nature of these Departmental programs has been the subject of concern for the Committee in both the 103rd and 104th Congresses.

The bill includes a total of \$22,757,460,000 for programs in the Department of Education. However, there are many education programs funded elsewhere in the bill. The following chart indicates the major funding sources for education in the bill.

EDUCATION FUNDING
[Dollars in millions]

	Fiscal year—		
	1996	1997	1996, above (+), below (–) fiscal year 1996
Discretionary			
Department of Education*	\$22,810	\$22,757	–\$53
Head Start	3,569	3,600	+31
NIH Training grants	395	435	+40
Health professions training	259	290	+31
Total discretionary	27,033	27,082	+49
Mandatory			
Department of Education	2,420	2,473	+53
Medicare direct/indirect costs of medical education	6,810	8,470	+1,660
Total mandatory	9,230	10,943	+1,713
“Off budget” spending:			
Direct loan obligations	12,928	13,542	+614
Total education spending	49,191	51,567	+2,376

*Adjusted for the \$1.3 billion forward funding of title I in fiscal year 1996 to show comparability.

EDUCATION REFORM

The bill includes \$175,000,000 for Education Reform programs. This amount is \$516,000,000 less than the Administration’s fiscal year 1997 budget request and \$355,000,000 below the fiscal year 1996 amount. This appropriation account includes Goals 2000 under the Goals 2000: Educate America Act and school-to-work opportunities under the School-To-Work Opportunities Act.

Goals 2000: Educate America Act: State and local education systematic improvement grants

The bill includes no funding for carrying out the state and local education systemic reform grant program authorized by title III of the Goals 2000: Educate America Act. This is \$476,000,000 below the budget request and \$340,000,000 below the fiscal year 1996 appropriation level for this activity. This formula grant program supports state and local efforts to engage in systemic education reform.

The Committee continues to believe that in this very tight budgetary environment, the justification for funding this duplicative program remains weak. Much of Goals 2000 funding duplicates

other federal programs or pays the states to do what they already were doing. A 1994 survey by the Council of Chief State School Officers conducted just after the passage of Goals 2000 indicated that virtually all states had curriculum content and pupil performance standards under development or in the implementation stage. Both National Math Standards and a list of academic subjects for which national content standards were to be developed were in place before the passage of Goals 2000. A recent article on Goals 2000 indicated that “* * * The vast majority [of states] will * * * pay for curriculum revisions, professional development and technology initiatives they planned to do anyway.” Finally, a recent analysis by the Congressional Research Service indicates that existing authorities under title VI of the Elementary and Secondary Education Act (Innovative education program strategies) will allow States to carry out their activities currently funded by Goals 2000. In the Committee recommendation, funding for title VI has more than doubled.

Goals 2000: Educate America Act: Parental assistance

The bill includes no funding for parental assistance under Goals 2000. This is \$15,000,000 below the budget request and \$10,000,000 below the fiscal year 1996 level. This program provides assistance for parent information and resource centers.

This program supports “parent information and resource centers.” These centers (1) coordinate with existing programs that support parents in helping their children get ready for school and reach high standards, (2) develop resource materials and provide information about high quality family involvement programs to families, schools, school districts and others through conferences, workshops and dissemination of materials and (3) support a variety of promising models of family involvement programs. These same activities can be supported with title I (Education for the Disadvantaged) and title VI (Innovative education program strategies) funding. There are several dissemination authorities that can support the transfer of promising techniques. The National Education Research Institutes support, among many related activities, research to assist “State and local policymakers, practitioners, parents, and others in the community restructure schools, build constructive local learning cultures and contexts, and design and implement State and local policies, governance arrangements, and financial systems that support the highest levels of learning for all students” according to the Department of Education. If activities supported under Goals 2000, Parental Education are considered of sufficient importance, they can be funded under these broader authorities.

School-to-work opportunities

The bill includes \$175,000,000 for state grants and local partnerships under the School-to-Work Opportunities Act. This is \$25,000,000 below the budget request and \$5,000,000 below the fiscal year 1996 level. Funds support grants to states to plan school-to-work systems to ease the transition from school to work and implementation grants provided competitively to states and local consortia to begin building such systems. Activities include recruiting employers, obtaining in-depth information on local labor markets,

designing school-based and work-based curricula, and training school-based and work-based staff.

In fiscal year 1996 the total funding for School-to-Work was \$350,000,000 with \$180,000,000 provided in the Department of Education and \$170,000,000 provided in the Department of Labor. The Committee provides the same overall amount for fiscal year 1997 by providing \$175,000,000 in each Department. With the inclusion of Tech-Prep, the Committee provides \$450,000,000 for school-employment related programs.

EDUCATION FOR THE DISADVANTAGED

The bill includes \$7,204,130,000 for education for the disadvantaged programs. This amount is \$474,870,000 less than the Administration's fiscal year 1997 budget request and \$23,947,000 less than the fiscal year 1996 appropriation. This appropriation account includes compensatory education programs authorized under title I of the Elementary and Secondary Education Act of 1965. In fiscal year 1996, \$5,929,838,000 was made available for this account in fiscal year 1996 funds and \$1,298,386,000 was made available in fiscal year 1997 funds resulting in a total of \$7,228,077,000 available for the 1996-97 school year. This year, the Committee again forward funded \$1,298,386,000 into fiscal year 1998. The Committee concurs with the concerns of the Administration over this practice, but was unable to appropriate the full amount recommended in fiscal year 1997 due to the lack of available funds. All discussions of funding in this section are based on the funds available in school years 1996-97 and 1997-98 to provide comparability.

Grants to local educational agencies

Of the amounts provided for Title I programs, \$6,730,348,000 is available for basic grants to local education agencies and state administration. This is \$434,652,000 below the request and the same as the funding level available for the 1996-97 school year. Funding for concentration grants, which targets funds to Local Education Agencies in Counties with high levels of disadvantaged children, is funded at \$684,082,000, the same as last year and \$13,147,000 above the request level. The Committee provided no funding under Targeted Grants which focuses even more funding on the most disadvantaged local educational agencies. This level is \$1,000,000,000 below the request level and the same as last year.

Financial assistance flows to school districts by formula, based in part on the number of school-aged children from low-income families. Within districts, local school officials target funds on school attendance areas with the greatest number or percentage of children from poor families. Local school districts develop and implement their own programs to meet the needs of disadvantaged students. About 14,000 local school districts participate in the program, which served an estimated 6.2 to 6.5 million pupils in 1995.

Funds under this account will also be used to pay the federal share of state administrative costs for title I programs. The maximum state administration grant is equal to 1 percent of title I local educational agency plus state agency grants to the state, or \$400,000, whichever is greater. These funds are included in the

grants to local educational agencies account, rather than being a separate line item.

Capital expenses for private school students

Capital expenses grants are authorized to pay some of the additional costs of providing title I services to children who attend nonpublic schools. As a result of a decision of the U.S. Supreme Court in 1985, in the case of *Aguilar v. Felton*, public school teachers or other employees cannot be sent to sectarian nonpublic schools for the purpose of providing title I services. The capital expenses grants are allocated to states in proportion to the number of nonpublic school pupils they serve. Purposes for which these funds may be used include rental of classroom space in neutral sites (i.e., locations other than private or public schools), rental of mobile vans used for title I instruction, or transportation of nonpublic pupils to public schools or neutral sites. The bill includes an appropriation of \$20,000,000 for this purpose, the same as the budget request and \$18,119,000 below the fiscal year 1995 appropriation.

Even Start

The Committee provides \$101,997,000 for Even Start, the same as last year and \$3,000 below the request. Even Start provides demonstration grants for model programs of joint education of disadvantaged children, aged 1–7 years, who live in title I target school attendance areas, plus their parents who are eligible to be served under the Adult Education Act. These parents are not in school, are above the state's compulsory school attendance age limit, and have not earned a high school diploma (or equivalent). At appropriations levels above \$50,000,000, Even Start funds are allocated to the states, generally in proportion to title I basic grants.

While the President proposed last year to consolidate this program into a larger Vocational and Adult Education block grant, this year he is requesting a separate appropriation. The Committee remains concerned that, as with many other Department of Education programs, there is little in the way of evaluations to support this request. What evaluations do exist indicate that “* * * Even Start has some positive short term effects on children and adults.” However “* * * The gains were not greater than those that similarly motivated families would obtain for themselves using locally available services.” The Committee believes that until more consistent results can be accomplished, funding for this program should be constrained.

State agency programs: migrant

The bill includes \$305,474,000 for the migrant education program, \$14,526,000 below the budget request and the same as the fiscal year 1996 appropriation. This program supports formula grants to state agencies for the support of special educational and related services to children of migratory agricultural workers and fishermen. The purpose of this program is to provide supplementary academic education, remedial or compensatory instruction, English for limited English proficient students, testing, plus guidance and counseling.

State agency programs: neglected and delinquent

For the state agency program for neglected and delinquent children, the bill includes \$39,311,000; this is \$689,000 less than the budget request and the same as the fiscal year 1996 appropriation. This formula grant program provides services to participants in institutions for juvenile delinquents, adult correctional institutions, or institutions for the neglected.

State school improvement

The Committee provides no funding for state school improvement, the same as fiscal year 1996 and \$15,000,000 below the request. This program was terminated in the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-134). Provisions of the underlying statute permit State and local education agencies to use their title I funds for school improvement activities.

Demonstrations of innovative practices

The Committee provides no funding for demonstrations of innovative practices, the same as fiscal year 1996 and \$10,000,000 below the request. It is one of the many small research, demonstration and technical assistance programs that are hard to coordinate and expensive to administer. If the Secretary believes that activities funded under this authority are sufficiently important, he can fund them under broader authorities, many of which have received increases in the Committee recommended bill.

Evaluation

The Committee provides \$7,000,000 for evaluation, the same as budget request and \$3,641,000 more than the 1996 appropriation. Title I evaluation supports large scale national evaluations that examine how title I is contributing to improved student performance at the state, local education agency, and school levels; short term studies that document promising models; and other activities to help states and local education agencies implement requirements in the title I statute.

The Committee is concerned that there remains little firm, empirical data on the effectiveness of the title I program, particularly since reauthorization. The Congressional Research Service noted in a recent analysis of title I evaluations that "There are numerous, substantial limitations to the significance of evaluations of aggregate impact of Title I that are currently available." The Committee intends that these funds be used to support the development of evaluation techniques and data on the impact of title I on both a local and national basis.

Migrant education, high school equivalency program

The bill includes no funding for the high school equivalency program. This amount is \$7,441,000 below fiscal year 1996 and the same as the request. According to the Administration, "These programs have long since met their objectives as demonstration programs, they benefit only a few participants and incumbent grantees, and eligible populations can be served by a range of other, less costly, programs."

College assistance migrant programs

The bill includes no funding for the college assistance migrant programs. This amount is \$2,028,000 below fiscal year 1996 and the same as the request. According to the Administration, "These programs have long since met their objectives as demonstration programs, they benefit only a few participants and incumbent grantees, and eligible populations can be served by a range of other, less costly, programs." This program serves only a small number of migrant students and only if they attend one of six institutions awarded grants.

IMPACT AID

The bill provides \$728,000,000 for Federal impact aid programs in fiscal year 1997, an increase of \$35,000,000 over the fiscal year 1996 appropriation and \$111,000,000 over the budget request. The appropriation funds the impact aid program at the same level as it was funded in fiscal year 1995. This account supports payments to school districts affected by Federal activities and is authorized under title VIII of the Elementary and Secondary Education Act. During the current school year, payments will be made to approximately 2,700 school districts on behalf of 1,800,000 children. The bill does not adopt the President's proposal to amend the authorizing statute to reduce the number of school districts receiving payments to 1,000 and to reduce the number of children on behalf of whom payments are made to 337,000. The Committee regards impact aid as an obligation of the Federal Government and has included funds sufficient to adequately reimburse school districts adversely impacted by Federal activities. The Committee notes that the President proposes to substantially increase funding for general Federal assistance to school districts at the same time it proposes to dramatically reduce impact aid payments which represent an obligation of the Federal government to mitigate the adverse effects of its activities on local school districts.

The Committee notes that in addition to the funding provided in this bill, the House version of the National Security Appropriations bill includes \$58,000,000 for payments to school districts experiencing heavy military impact.

Basic support payments

The bill includes \$615,500,000 for basic support payments to local educational agencies, an increase of \$33,793,000 over the fiscal year 1996 appropriation and \$65,500,000 over the budget request. The bill does not include changes in permanent law recommended in the budget request that would have the effect of dramatically limiting the number of children on behalf of whom payments are made and eliminating hold-harmless payments to schools affected by rapid decreases in impact aid payments as a result of implementation of the new payment formula enacted in 1994. Basic support payments compensate school districts for lost tax revenue and are made on behalf of Federally-connected children such as children of members of the uniformed services who live on Federal property.

Payments for children with disabilities

The bill provides \$40,000,000 for payments on behalf of Federally-connected children with disabilities, the same as the budget request and the fiscal year 1996 appropriation. These payments compensate school districts for increased costs of serving Federally-connected children with disabilities.

Payments for heavily impacted districts

The bill includes \$50,000,000 for payments to heavily impacted districts, the same as the fiscal year 1996 level, and \$30,000,000 above the budget request. These payments assist especially heavily impacted school districts to raise their per-pupil spending to levels comparable to other school districts in their States.

Facilities maintenance

The bill does not provide funding for facilities maintenance, the same as in fiscal year 1996. The budget requests \$3,000,000 for this activity. These capital payments are authorized for maintenance of certain facilities owned by the Department of Education.

Construction

The bill includes \$5,000,000 for construction, the same as the fiscal year 1996 appropriation and \$1,000,000 above the request. This funding provides formula grants to eligible school districts for building and renovating school facilities.

Payments for Federal property

The bill provides \$17,500,000 for payments related to Federal property, an increase of \$1,207,000 over the fiscal year 1996 appropriation. The budget does not request funding for this activity. The Committee has provided an increased appropriation for this activity in order to accommodate schools which have recently qualified for funding under this program. Funds are awarded to school districts to compensate for lost tax revenue as the result of Federal acquisition of real property since 1938.

SCHOOL IMPROVEMENT PROGRAMS

The bill includes \$1,235,383,000 for school improvement programs. This amount is \$168,617,000 below the Administration's 1997 budget request and \$21,806,000 above the fiscal year 1996 appropriation. This appropriation account includes programs authorized under titles II, IV, V, VI, IX, X and XIII of the Elementary and Secondary Education Act; title VII of the Stewart B. McKinney Homeless Assistance Act; and title IV-A of the Civil Rights Act.

Professional development and program innovation: Eisenhower professional development state grants

The Committee recommends no funding for state grants under the Eisenhower professional development state grants, \$610,000,000 below the budget request and \$275,000,000 below the fiscal year 1996 level. The Committee recommends that funding for this activity be added to the title VI (Innovative education program

strategies) that will provide increased flexibility to states and localities to fund training or other activities they feel appropriate.

The Committee notes that in testimony before the Subcommittee on the Departments of Labor, Health and Human Services and Education and Related Agencies, the Assistant Secretary for Elementary and Secondary Education reported that:

Programs aimed exclusively at professional development in the Department were funded at \$338 million in 1996;

In 1993, the most recent year for which data is available, \$2.3 billion in loans were made for the pursuit of undergraduate and graduate education degrees;

While programs such as Safe and Drug Free Schools, Title I, Title VI Innovative Strategies, and “* * * a large number of other programs* * *” support professional development, the Department “* * * does not have an estimate of the total amount expended for teacher professional development under these * * * programs.”;

The Department keeps no records on funding provided by other agencies such as NASA, the Department of Energy, National Science Foundation, and the National Endowment for the Humanities.

The Committee believes that funding can only be considered in the context of a better understanding of role of this program in the overall federal commitment to professional development and the steps which have been taken to address the criticisms of the Eisenhower Professional Development Program and its predecessors.

Professional development and program innovation: Innovative Education Program Strategies State Grants

The Committee recommends \$606,517,000 for state grants under Innovative education program strategies, an increase of \$331,517,000 over the fiscal year 1996 level and \$606,517,000 above the Request. The Committee strongly supports this program which provides funding, without bureaucratic strings, to state and local educational agencies that, according to the administration can be used for:

- (1) obtaining technology and training in that technology related to the implementation of school based reform;
- (2) acquiring and using educational materials;
- (3) educational reform projects such as “effective schools” and magnet schools;
- (4) improving educational services for disadvantaged students;
- (5) combating illiteracy among children and adults;
- (6) addressing the educational needs of gifted and talented children;
- (7) implementing school reform activities consistent with Goals 2000; and
- (8) implementing school improvement and parental involvement activities under ESEA Title I.

The Committee decided to combine the funding from the Eisenhower Professional Development Program, Star Schools and Foreign Language Assistance into this program. The bill includes language indicating that states receive at least the same proportion of

funding in fiscal year 1997 as they received from the individual programs in fiscal year 1996.

The Committee believes that all of the activities carried out under the individual, categorical programs can be carried out under the authorities of title VI.

Safe and drug-free schools and communities: state grants

The Committee bill includes \$440,978,000 for the state grants program of the Safe and Drug-Free Schools and Communities act. This is \$74,022,000 below the budget request and the same amount provided in fiscal year 1996. The program supports state formula grants for comprehensive, integrated approaches to drug and violence prevention. Local educational agencies must use their funds to implement a drug and violence prevention program for students and employees.

This program has existed since 1987 and, through 1996 has obligated over \$2.9 billion. Yet there is no overall evaluation of the program, although one has been in progress since 1990 and results are projected to be available in late 1996. While the administration, in its request, points to several anecdotal cases where the program seems to be a success, they also point to alarming national statistics of increasing drug use and declining fear of drugs that have occurred in the face of obligations of over \$400,000,000 per year since 1990.

In funding this program, it is the Committee's intent that funds be expended to promote a "no-use" message and support a "no-use" curricula.

The Committee also notes that the performance measures developed under the Government Performance and Results Act for Safe and Drug Free Schools seem to be among the most comprehensive and instructs the Department to work closely with other agencies and programs to assure that performance measures allow the comparison of the effectiveness and cost of the Safe and Drug Free Schools program with other substance abuse and violence prevention programs.

Overall, the Federal Government is projected to spend \$15.4 billion in fiscal year 1996 for substance abuse treatment, prevention and supply interdiction. Of that amount, the Department of Health and Human Services spends \$3.6 billion on prevention and treatment, the Department of Education \$618 million and the Department of Labor \$60 million. According to a study done for the Committee by the General Accounting Office:

From fiscal year 1990 through 1994, the number of federal departments and agencies funding substance abuse treatment and prevention activities increased from 12 to 16, according to the Office of National Drug Control Policy (ONDCP). For the same years, federal agencies' budget authorizations increased more than 59% from about \$2.8 billion to \$4.4 billion. The fiscal year 1996 budget authorization was estimated to be \$5.2 billion.

Safe and drug-free schools and communities: national programs

For the national programs under the Safe and Drug-Free Schools and Communities Act, the bill provides no funding, which is

\$25,000,000 below the budget request and \$24,993,000 below the fiscal year 1996 amount. Under this program, the Secretary of Education administers a variety of activities to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students at all educational levels, preschool through postsecondary.

As noted above, the Committee is concerned by the Department's insistence in maintaining the broad array of research, technical assistance, dissemination and demonstration programs. The situation with respect to this account is particularly discouraging given the Administration's statements in testimony before the Subcommittee on Labor, Health and Human Services and Education and Related Agencies that "Technically, many of the activities supported by the Safe and Drug Free Schools and Communities National Programs could be carried out under broader authorit[ies]" if sufficient funds were provided.

The Committee believes that in this era of severe fiscal constraint, the authorizing committees must consolidate many of these authorities and, in the absence of such action, the Committee will move in this direction through providing no funding for many of these small programs. The Committee expects the administration to employ its general authorities to fund the highest priority projects and activities.

Inexpensive book distribution (Reading Is Fundamental)

The bill provides \$9,000,000 for the inexpensive book distribution program. This is \$1,265,000 below the fiscal year 1996 appropriation and the same as the request. This program makes an award to Reading Is Fundamental, Inc., to buy inexpensive books, offer them through local community programs to children from low-income families, and motivate children to read. Federal funds provide for up to 75 percent of the costs of the books. This program annually provides an estimated 7.6 million books to 2.4 million children nationwide.

The Committee notes that this is a widely respected and well known program in which federal funding comprises only a small portion of the program's overall budget.

Christa McAuliffe fellowships

The bill provides no funding for the Christa McAuliffe fellowships, the same as the fiscal year 1996 appropriation and \$2,000,000 below the request. The President in his fiscal year 1995 request proposed no funding for this program, indicating that "This program is proposed for elimination to provide savings as part of the President's Reinventing Government (REGO) proposal." Funding for this program was terminated in the 1996 omnibus funding bill.

Arts in education

The bill provides \$9,000,000 for the arts in education program. This is \$1,000,000 less than the budget request and the same as the fiscal year 1996 appropriation. This program supports arts programs in elementary and secondary education and demonstration programs for the involvement of disabled persons in the arts.

Magnet schools assistance

The bill includes \$95,000,000 for the magnet schools assistance program, the same as both the budget request and the fiscal year 1996 level. The magnet schools assistance program awards competitive grants to local educational agencies for use in establishing or operating magnet schools that are part of a desegregation plan approved by a court or by the Department of Education's Office for Civil Rights. A magnet school is defined by the statute as "a school or education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds." A funding priority is given to local educational agencies that have not participated during the most recent funding cycle.

Education for homeless children and youth

For the education of homeless children and youth program, authorized by section 722 of the Stewart B. McKinney Homeless Assistance Act, the Committee recommends \$23,000,000. This is \$6,000,000 less than the budget request and the same as the fiscal year 1996 appropriation. Grants are allocated to states in proportion to the total that each state receives under the title I program.

This program provides for the establishment of an Office of Coordinator of Education of Homeless Children and Youth, development and implementation of a state plan, development of other activities to assure that homeless children have equal access to education, and establishment of professional development programs to "heighten awareness of the special problems of homeless children and youth." It is unclear how much funding from this program actually reaches the classroom and directly impacts on the education of homeless children. In addition funding for homeless children is available through title I (Education for the Disadvantaged), and title VI (Innovative Education Program Strategies) among other programs.

Ellender Fellowships/Close Up

The bill includes \$1,000,000 for the Ellender fellowship program. This level is \$1,000,000 above the budget request and \$500,000 less than the fiscal year 1996 amount. The program supports the Close Up Foundation of Washington, D.C., to carry out its program to increase the understanding of the Federal Government by providing fellowships to disadvantaged secondary school students, secondary school teachers, economically disadvantaged older Americans, and recent immigrants. Fellowship recipients receive practical experience in the activities of the legislative, executive, and judicial branches of the Federal Government.

The Committee notes that this is a widely respected and well known program in which federal funding comprises only a small portion of the program's overall budget. Given the severe constraints that are likely to face all discretionary programs in the future, the Committee instructs the Secretary and the grantee, the Close-Up Foundation, to develop a plan, to be presented to the Committee by October 1, 1996, to achieve full financial independence from federal funding by the end of fiscal year 1997.

Training and advisory services

The bill includes \$7,334,000 for training and advisory services authorized by title IV–A of the Civil Rights Act. This is \$6,666,000 below the budget request and the same as the fiscal year 1996 amount. Title IV–A authorizes technical assistance and training services for local educational agencies to address problems associated with desegregation on the basis of race, sex, or national origin. Awards are made to civil rights units within state educational agencies and to regional desegregation assistance centers.

Women's educational equity

The bill contains no funding for the women's educational equity program, \$4,000,000 below the budget request and the same as the fiscal year 1996 amount. This program promotes educational equity for women and girls through the support of national, State, and other projects. Equality is encouraged through the development and dissemination of model educational programs and materials, as well as through guidance and counseling activities, preservice and inservice training for educators, and courses for underemployed and unemployed women.

Education for native Hawaiians

The bill includes \$4,000,000 for education for native Hawaiians, \$2,000,000 below the budget request and \$8,000,000 less than the fiscal year 1996 amount. A number of programs limited to native Hawaiians are supported with these funds, including family-based education centers, postsecondary education fellowships, gifted and talented education projects, and special education projects for disabled pupils.

The President in his original fiscal year 1995 request indicated that this program was “* * * duplicative of other programs * * * [and] more appropriately funded through non-federal sources.” In addition to this specific program, there are statutory set-asides for native Hawaiians in safe and drug free schools, vocational education and native Hawaiians are eligible for assistance under programs for the education of the disadvantaged, just as any other American.

Charter schools

The Committee recommends \$18,000,000 for support of charter schools, \$22,000,000 below the budget request and the same as the fiscal year 1996 amount. Charter schools are developed and administered by individuals or groups of individuals which may include teachers, administrators, and parents. These groups enter into charters for operation of their schools which must be granted exemptions from state and local rules that limit flexibility in school operation and management. Under this program, grants are made to state educational agencies in states that have charter school laws; the state educational agencies will in turn make subgrants to authorized public chartering agencies in partnerships with developers of charter schools.

Technical assistance for improving ESEA programs: comprehensive regional assistance centers

The Committee recommends \$21,554,000 for comprehensive regional assistance centers, \$23,446,000 below the budget request and \$47,000 more than the fiscal year 1996 amount. This program supports the consolidation of 7 former technical assistance programs that funded 48 technical assistance centers into a program of 15 comprehensive regional technical assistance centers for improving ESEA programs. As with the Regional Educational Labs, the Committee is concerned that these centers remain focused on providing assistance to local and state education agencies based on their locally defined needs. The Committee instructs the Department to inform it of any directives or funding earmarks that would require the Centers to carry out work not directly in response to local or state requests for assistance.

BILINGUAL AND IMMIGRANT EDUCATION

The bill includes \$167,190,000 for bilingual and immigrant education programs. This amount is \$94,510,000 below the Administration's fiscal year 1996 budget request and \$20,849,000 less than the fiscal year 1996 appropriation. This account supports programs authorized by parts A and C of title VII of the Elementary and Secondary Education Act.

Bilingual education: instructional services

The bill provides \$117,190,000 for instructional services, the same as the budget request and \$10,000 below the fiscal year 1996 amount. The Congress in the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-134) appropriated \$128,000,000 for this activity. The Committee recently concurred in a request by the administration to reprogram \$10,800,000 into the Support Services and Professional Development accounts. This program provides assistance through competitive grants to school districts to help ensure that the limited English proficient students learn English.

The funding level provided in the bill, according to the Administration,

* * * is necessary to meet the challenge of providing high-quality educational services to the Nation's rapidly growing limited English proficient student population. The request would also enable the Department to continue to implement the provisions of the new statute that promote systematic educational reform for limited English proficient students.

The bill provides no funding for Support Services. As noted in the beginning of the Education section, the administration has identified numerous research, demonstration, dissemination and evaluation authorities funded at over one-half billion dollars. The fragmented nature of Departmental research, demonstration, dissemination and evaluation programs has been the subject of concern for the Committee in both the 103rd and 104th Congresses. The Committee expects the administration to employ its general authorities to fund the highest priority programs.

The bill also provides no funding for Professional Development services. As with Support Services, the Committee is concerned by the fragmentation of these programs and the assumption that each program must have its own research, demonstration, dissemination and professional development activities in addition to the broader Departmental programs. The General Accounting Office identified 86 teacher training programs in nine agencies of which 60 were funded in the Department of Education. In testimony before the Subcommittee on the Departments of Labor, Health and Human Services and Education and Related Agencies, the Assistant Secretary for Elementary and Secondary Education indicated that while bilingual professional development is the only program aimed exclusively at preparing teachers of limited English proficiency students, the Eisenhower Professional Development Program is estimated to spend \$5,500,000 (based on the FY '96 funding level of \$275,000,000) and student financial assistance provided \$70,000,000 for the training of current and future bilingual teachers. Three times as much is being spent outside of the bilingual professional development program for the purpose of training bilingual teachers as is being requested by the Administration. With the consolidation of the Eisenhower Professional Development Program into the title VI program, states and localities will have increased flexibility to fund professional development, or other activities based on their priorities.

Foreign language assistance

The bill provides no funding for the foreign language assistance program, \$5,000,000 below the request and \$10,039,000 below the fiscal year 1996 amount. This program provides discretionary grants to local and state educational agencies to support model programs for the improvement or expansion of foreign language instruction for students. With the consolidation of this program into the title VI program, states and localities will have increased flexibility to fund foreign language, or other activities based on their priorities.

Immigrant education

The bill includes \$50,000,000 for immigrant education, \$50,000,000 below the budget request and the same as the fiscal year 1996 level. The program provides grants to states with school districts that enroll substantial numbers of immigrant children. Awards are used to help cover the cost of providing supplemental educational services to these students.

SPECIAL EDUCATION

The bill includes \$3,246,315,000 for programs for children with disabilities authorized under the Individuals with Disabilities Education Act. This funding level is \$306,598,000 below the Administration's fiscal year 1997 budget request and \$900,000 above the fiscal year 1996 appropriation.

All programs in this account except Grants to States and Preschool Grants are unauthorized. The President proposed the consolidation of the 14 "discretionary" programs within this account into five Program Support and Improvement clusters. In addition

the Committee on Economic and Educational Opportunities is considering legislation to reauthorize the Individuals with Disabilities Education Act. The Committee has appropriated funds for this program under the existing, but expired, legislation.

State grants for special education

The bill provides \$2,323,837,000 for grants to states, which is \$279,410,000 below the budget request and the same as the fiscal year 1996 level. This program provides formula grants to assist the states in meeting the excess costs of providing special education and related services to children with disabilities. In order to be eligible for funds, states must make free appropriate public education available to all children with disabilities. Funds are currently distributed based on the number of children with disabilities to whom the states provide a free appropriate education.

Preschool grants

The bill provides \$360,409,000 for preschool grants, \$19,591,000 below the budget request and the same as the fiscal year 1996 level. This program provides grants to states on the basis of their proportionate share of the total number of children with disabilities in the 3-through-5 age range. These funds are provided in order to provide an incentive to states to make a free appropriate education available to all children with disabilities in the 3 through 5 age range.

Grants for infants and families

The bill provides \$315,754,000 for grants for infants and families, \$122,000 above the budget request and the same as the fiscal year 1996 level. This formula grant assists states in developing and implementing statewide systems of coordinated, comprehensive, multidisciplinary, interagency programs to make available early intervention services to all children with disabilities, aged birth through 2, and their families.

Deaf-blindness

The bill includes \$12,832,000 for deaf-blindness programs, which is \$12,832,000 above the budget request and the same as the fiscal year 1996 appropriation. The President proposes to fund this activity in fiscal year 1997 in his Research to Practice consolidation. His requested funding level for the new program is \$95,720,000, which is \$12,359,000 above the fiscal year 1996 funding level for the consolidated programs. Deaf-blind project funds are used for technical assistance grants and model demonstration projects for the education of deaf-blind infants, toddlers, children and youth.

Serious emotional disturbance

The bill includes \$4,147,000 for projects for children and youth with serious emotional disturbance, which is \$4,147,000 above the budget request and the same as the fiscal year 1996 appropriation. The President proposes to fund this activity in fiscal year 1997 in his Research to Practice consolidation. His requested funding level for the new program is \$95,720,000, which is \$12,359,000 above the fiscal year 1996 funding level for the consolidated programs. The

program supports research projects and local school demonstration projects to improve and provide special education and related services to children and youth with serious emotional disturbance.

Severe disabilities

The bill provides \$10,030,000 for severe disabilities programs, which is \$10,030,000 above the budget request and the same as the 1996 appropriation. The President proposes to fund some of the activities of this program in fiscal year 1997 in his Research to Practice consolidation and some in State Improvement consolidation. His requested funding level for the Research to Practice program is \$95,720,000, which is \$12,359,000 above the fiscal year 1996 funding level for the consolidated programs. For the State Improvement Consolidation, the President requests \$37,076,000, which is \$6,768,000 above the funding available for the consolidated programs in fiscal year 1996. This program supports research, personnel training, and dissemination projects to meet the needs of the severely disabled.

Early childhood education

The bill provides \$25,147,000 for early childhood education programs, which is \$25,147,000 above the budget request and the same as the fiscal year 1996 appropriation. The President proposes to fund this activity in 1997 in his Research to Practice consolidation. His requested funding level for the new program is \$95,720,000, which is \$12,359,000 above the fiscal year 1996 funding level for the consolidated programs. Grants support research, dissemination, demonstration, and other projects to improve the early education of children with disabilities.

Secondary and transitional services

The bill provides \$23,966,000 for secondary and transitional service projects, which is \$23,966,000 above the budget request and equal to the fiscal year 1996 appropriation. The President proposes to fund some of the activities of this program in fiscal year 1997 in his Research to Practice consolidation and some in State Improvement consolidation. His requested funding level for the Research to Practice program is \$95,720,000, which is \$12,359,000 above the fiscal year 1996 funding level for the consolidated programs. For the State Improvement Consolidation, the President requests \$37,076,000, which is \$6,768,000 above the funding available for the consolidated programs in fiscal year 1996. This program provides assistance to strengthen and coordinate services for the transition of youth with disabilities from secondary school to postsecondary education, employment, and adult life and services, and to improve secondary special education.

Postsecondary education

The bill provides \$8,839,000 for postsecondary education programs, which is \$8,839,000 above the budget request and the same as the fiscal year 1996 appropriation. The President proposes to fund this activity in fiscal year 1997 in his Research to Practice consolidation. His requested funding level for the new program is \$95,720,000, which is \$12,359,000 above the fiscal year 1996 fund-

ing level for the consolidated programs. This program supports four postsecondary institutions that provide model comprehensive support services to serve deaf students as well as awards for demonstration projects in postsecondary education for all students with disabilities.

Innovation and development

The bill provides \$14,000,000 for innovation and development projects, which is \$14,000,000 above the budget request and the same as the fiscal year 1996 appropriation. The President proposes to fund this activity in 1997 in his Research to Practice consolidation. His requested funding level for the new program is \$95,720,000, which is \$12,359,000 above the fiscal year 1996 funding level for the consolidated programs. This program funds research and demonstration projects, student-conducted research in institutions of higher education, model projects to improve educational opportunities for children with disabilities, Attention Deficit Disorder (ADD) information centers, and ombudsman model demonstration projects.

Media and captioning services

The bill provides \$20,030,000 for media and captioning services, which is \$20,030,000 above the budget request and \$900,000 above the fiscal year 1996 appropriation. The President proposes to fund this activity in fiscal year 1997 in his Technology Development and Educational Media consolidation. His requested funding level for the new program is \$30,004,000, which is \$869,000 above the fiscal year 1996 funding level for the consolidated programs. This program supports the captioning of films, videos, and television programs for the deaf, recordings for the blind, and cultural experiences for the deaf and hard of hearing.

In administering the increased funding, the Committee urges the Secretary to consider the increased workload of the Recordings for the Blind and Dyslexic. Between 1990 and 1995, there has been a 60% increase in borrowers and a 41% increase in the number of pretaped books in circulation.

In this time of severe fiscal constraint, programs such as RFBD which receive only a small part of their funding from the federal government will be under continued fiscal pressure. The Committee strongly urges RFBD to develop a strategic plan, possibly through the services of outside expertise, review the demands for RFBD services and develop new sources of revenues. The Committee directs RFBD to report to the Committee on the results of this review prior to the submission of the President's fiscal year 1998 budget request.

Technology applications

The bill includes \$9,993,000 for technology applications, which is \$9,993,000 above the budget request and the same as the fiscal year 1996 appropriation. The President proposes to fund this activity in fiscal year 1997 in his Technology Development and Educational Media consolidation. His requested funding level for the new program is \$30,004,000, which is \$869,000 above the fiscal year 1996 funding level for the consolidated programs. This pro-

gram provides assistance to advance the use of new technology, media, and materials in the education of students with disabilities and in the provision of early intervention services. The program also supports projects that increase access to assistive devices and services.

Special studies

The bill provides \$3,827,000 for special studies, which is \$3,827,000 above the budget request and the same as the fiscal year 1996 appropriation. The President proposes to fund this activity in fiscal year 1997 as a set-aside in the state grants portion of Special Education. This program supports data collection, evaluations, and special studies to assess progress in the implementation of the Individuals with Disabilities Education Act, examines special topics in early intervention and special education, and provides information on state and local program management.

Personnel development

The bill includes \$91,339,000 for personnel development, which is \$91,339,000 above the budget request and the same as the fiscal year 1996 appropriation. The President proposes to fund some of the activities of this program in fiscal year 1997 in his Professional Development consolidation and some in State Improvement consolidation. His requested funding level for the Professional Development program is \$76,700,000, which is \$8,581,000 below the fiscal year 1996 funding level for the consolidated programs. For the State Improvement Consolidation, the President requests \$37,076,000, which is \$6,768,000 above the funding available for the consolidated programs in fiscal year 1996. This program provides higher education grants for training personnel for careers in special education, related services, and early intervention; special preservice and inservice training grants for instructing both regular education and special education personnel; and grants to aid states in meeting their personnel needs as identified in their comprehensive plans for personnel development. The program also supports personnel training grants to Historically Black Colleges and Universities and other minority colleges and universities to increase the number of minority special education personnel.

Parent training

This bill provides \$13,535,000 for parent training programs, which is the same as the fiscal year 1996 appropriation and \$13,535,000 above the request. The President proposes to fund this activity in fiscal year 1997 in his Parent Training and Information portion of his proposed Program Support and Improvement initiative. His requested funding level for the new program is \$14,534,000, which is \$999,000 above the fiscal year 1996 funding level for the predecessor programs. This program supports parent training and information centers to aid parents of children with disabilities.

Clearinghouses

The bill includes \$1,989,000 for clearinghouses, which is \$1,989,000 above the budget request and the same as the fiscal

year 1996 appropriation. The President proposes to fund this activity in fiscal year 1997 in his Research to Practice consolidation. His requested funding level for the new program is \$95,720,000, which is \$12,359,000 above the fiscal year 1996 funding level for the consolidated programs. This program funds three clearinghouses on: children with disabilities, postsecondary education for individuals with disabilities, and careers in special education. These clearinghouses disseminate information and provide technical assistance to parents, professionals and other interested parties; provide information on postsecondary programs and services for children with disabilities; and encourage students and professionals to seek and obtain careers and employment in special education and related fields.

Regional resource centers

The bill provides \$6,641,000 for regional resource centers, which is \$6,641,000 above the budget request and the same as the fiscal year 1996 appropriation. The President proposes to fund this activity in fiscal year 1997 in his Research to Practice consolidation. His requested funding level for the new program is \$95,720,000, which is \$12,359,000 above the fiscal year 1996 funding level for the consolidated programs. This program funds six centers that provide technical assistance to state governments and, through them, to localities to improve administration of federal programs for students with disabilities and disseminate information on and encourage the replication of exemplary programs and practices. A national coordinating technical assistance center is also authorized.

REHABILITATION SERVICES AND DISABILITY RESEARCH

The bill includes \$2,509,447,000 for rehabilitation services and disability research. This amount is \$3,140,000 less than the Administration's fiscal year 1997 budget request and \$53,355,000 above the fiscal year 1996 appropriation. The programs in this account are authorized by the Rehabilitation Act of 1973, the Helen Keller National Center Act, and the Technology-Related Assistance for Individuals with Disabilities Act of 1988.

Vocational rehabilitation grants to states

For vocational rehabilitation state grants, the bill includes \$2,176,038,000, \$57,204,000 above the fiscal year 1996 amount and the same as the budget request. This program supports basic vocational rehabilitation services through formula grants to the states. These grants support a wide range of services designed to help persons with physical and mental disabilities prepare for and engage in gainful employment to the extent of their capabilities. Emphasis is placed on providing vocational rehabilitation services to persons with the most severe disabilities.

Client assistance

The bill includes \$10,392,000 for the client assistance program, \$273,000 above the fiscal year 1996 amount and the same as the budget request. A client assistance program is required in each state as a condition of receipt of a basic state grant. State formula grants are used to help persons with disabilities overcome problems

with the service delivery system and improve their understanding of services available to them under the Rehabilitation Act.

Training

For training personnel to provide rehabilitation services to persons with disabilities, the bill includes \$39,629,000, the same as both the fiscal year 1996 level and the budget request. The program supports long-term and short-term training, in-service personnel training, and training of interpreters for deaf persons. Projects in a broad array of disciplines are funded to ensure that skilled personnel are available to serve the vocational needs of persons with disabilities.

Special demonstration programs

The bill combines the special demonstration program with the supported employment demonstration program and includes \$18,942,000 for the consolidated program, \$8,499,000 below the fiscal year 1996 level for the two programs, and the same as the budget request. These programs authorize discretionary awards on a competitive basis to public and private organizations to support demonstrations, direct services, and related activities for persons with severe disabilities.

Migratory workers

For programs serving migratory workers, the bill provides \$1,850,000, which is \$429,000 above the fiscal year 1996 amount the same as the budget request. This program provides discretionary grants to make comprehensive vocational rehabilitation services available to migrant or seasonal farmworkers with vocational disabilities. Projects emphasize outreach activities, specialized bilingual rehabilitation counseling, and coordination of vocational rehabilitation services with services from other sources.

Recreational programs

For recreational programs, the bill provides \$2,596,000, the same as both the fiscal year 1996 amount and the budget request. This program provides individuals with recreation and related activities to aid in their employment, mobility, independence, socialization, and community integration. Discretionary grants are made on a competitive basis to states, public agencies, and nonprofit private organizations, including institutions of higher education.

Protection and advocacy of individual rights

For protection and advocacy for persons with disabilities, the bill provides \$7,657,000, which is \$201,000 above the fiscal year 1996 amount and the same as the budget request. Grants are awarded to entities that have the authority to pursue legal, administrative, and other appropriate remedies needed to protect and advocate the rights of persons with disabilities.

Projects with industry

For projects with industry, the bill provides \$22,071,000, \$6,000 above the fiscal year 1996 amount and the same as the budget request. This program is the primary federal vehicle for promoting

greater participation of business and industry in the rehabilitation process. The program provides training and experience in realistic work settings to persons with disabilities to prepare them for employment in the competitive labor market. Awards are made to a variety of agencies and organizations, including business and industrial corporations, rehabilitation facilities, labor organizations, trade associations, and foundations.

Supported employment state grants

For supported employment state grants, the bill includes \$38,152,000, which is the same as the fiscal year 1996 amount, and the budget request. These formula grants assist states in developing collaborative programs with public agencies and nonprofit agencies for training and post-employment services leading to supported employment. In supported employment programs, persons with severe disabilities are given special supervision and assistance to enable them to perform a job.

Independent living: state grants

For state grants for independent living, the bill includes \$21,859,000, the same as the fiscal year 1996 amount and the budget request. This program supports formula grants to the states to assist in the provision of services designed to meet the current and future needs of persons whose disabilities are so severe that they do not presently have the potential for employment, but who may benefit from services to enable them to live and function independently.

Independent living: centers

For centers for independent living, the bill provides \$42,876,000, which is \$1,127,000 above the fiscal year 1996 amount, and the same as the budget request. Discretionary grants support a network of consumer-controlled, nonresidential, community-based private nonprofit centers that provide a wide range of services to help persons with severe disabilities live more independently in family and community settings. Centers provide information and referral services, independent living skills training, peer counseling, and individual and systems advocacy. Discretionary grants are made to state vocational rehabilitation agencies or other public agencies or private nonprofit organizations.

Independent living: services for older blind persons

For independent living services for older blind individuals, the bill provides \$9,952,000, which is \$1,000,000 above fiscal year 1996 and the same as the budget request. Discretionary grants support services for persons 55 years old or over whose severe visual impairment makes gainful employment extremely difficult to obtain, but for whom independent living goals are feasible.

Program improvement

For program improvement activities, the bill provides \$2,400,000 which is the same as the request and \$1,400,000 above the fiscal year 1996 level. Activities funded under this program were funded under technical assistance to the States in 1996.

Evaluation

The bill includes \$1,587,000 for program evaluation, \$5,000 above the fiscal year 1996 amount and the same as the budget request. These funds are used to evaluate the impact and effectiveness of individual programs authorized under the Rehabilitation Act. Contracts are awarded on an annual basis for studies to be conducted by persons not immediately involved in the administration of the programs authorized by the Act.

Helen Keller National Center

For the Helen Keller National Center for Deaf-Blind Youth and Adults, the bill includes \$7,337,000, which is \$193,000 above the fiscal year 1996 amount and the same as the budget request. These funds are used for the operation of the national center for intensive services for deaf-blind individuals and their families at Sands Point, New York and a network of 10 regional offices for referral and counseling. In addition to support for the national and regional staff, the Helen Keller Center provides seed money to state and private nonprofit affiliate agencies to assist them initiate programs for deaf-blind persons.

National Institute on Disability and Rehabilitation Research

The bill includes \$70,000,000 for the National Institute on Disability and Rehabilitation Research, \$16,000 above the fiscal year 1996 amount and the same as the budget request. The Institute supports research, demonstration and training activities that are designed to maximize the employment and integration into society of individuals with disabilities of all ages.

Assistive technology

For assistive technology activities, the bill provides \$36,109,000, \$3,140,000 below the budget request and the same as the fiscal year 1996 amount. Technology assistance activities are authorized under the Technology-Related Assistance for Individuals with Disabilities Act of 1988, which was reauthorized in 1994. This program provides discretionary grants to the states to assist them in developing statewide programs to facilitate the provision of devices for, and services to, persons with disabilities.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

The bill provides \$6,680,000 for the American Printing House for the Blind, the same as the fiscal year 1996 appropriation and \$185,000 above the budget request. This appropriation subsidizes the production of educational materials for legally blind persons enrolled in pre-college programs. The Printing House, which is chartered by the State of Kentucky, manufactures and maintains an extensive inventory of special materials that are distributed free of charge to schools and States based on the number of blind students in each State. The Printing House also conducts research and field activities to inform educators about the availability of materials and how to use them. The Committee commends the Printing House on its effort to seek private sector assistance in developing

a more efficient manufacturing process. The Committee directs the Printing House to continue developing private sector partnerships to improve efficiency, to reduce its dependence on Federal appropriations and to augment its non-Federal sources of revenue.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

The bill provides \$43,041,000 for the National Technical Institute for the Deaf (NTID), the same as the budget request and an increase of \$861,000 above the fiscal year 1996 appropriation. The bill does not adopt the President's proposal to provide a separate appropriation for the endowment, but continues the policy initiated in the fiscal year 1996 bill of allowing NTID to transfer a portion of its appropriation to the endowment at its discretion. The Committee directs NTID to report to it within 15 days of executing such a transfer.

The Committee commends NTID for the responsible yet difficult decisions it has taken to contribute to deficit reduction and improving its efficiency. The Committee notes with approval the testimony during the fiscal year 1997 budget hearings of the Director of NTID regarding implementation of the Institute's strategic plan to improve the Institute's efficiency and productivity and to reduce administrative overhead to contribute to deficit reduction.

NTID was established by Congress in 1965 to provide a residential facility for postsecondary technical training and education for deaf persons with the purpose of promoting the employment of deaf individuals. The Institute also conducts applied research and provides training in various aspects of deafness. The Secretary of Education administers these activities through a contract with the Rochester Institute of Technology in Rochester, New York.

During the fiscal year 1997 budget hearings, NTID presented research indicating that NTID graduates achieve much higher levels of employment and self-sufficiency than hearing-impaired non-graduates. The Committee encourages NTID to make student retention and improving the institutional graduation rate a high priority.

GALLAUDET UNIVERSITY

The bill provides \$79,182,000 for Gallaudet University, an increase of \$1,553,000 above the comparable fiscal year 1996 appropriation and \$848,000 below the budget request. The appropriation represents a 2% increase above the fiscal year 1996 appropriation, the same rate of increase provided for the National Technical Institute for the Deaf. The bill does not adopt the President's proposal to provide a separate appropriation for the endowment but continues the policy initiated in the fiscal year 1996 bill of allowing Gallaudet to transfer a portion of its appropriation to the endowment at its discretion. The Committee directs Gallaudet to report to it within 15 days of executing such a transfer.

The Committee notes with approval the difficult decisions Gallaudet has taken to downsize operations, reduce administrative overhead, and to improve efficiency and productivity.

Gallaudet is a private, non-profit educational institution Federally-chartered in 1864 providing elementary, secondary, college preparatory, undergraduate, and continuing education for deaf per-

sons. In addition, the University offers graduate programs in fields related to deafness for deaf and hearing students, conducts various deafness research, and provides public service programs for deaf persons.

VOCATIONAL AND ADULT EDUCATION

The bill includes \$1,329,669,000 for vocational and adult education programs. This amount is \$10,581,000 below the fiscal year 1996 appropriation and \$90,331,000 below the 1997 budget request. This appropriation account includes vocational education programs authorized by the Carl D. Perkins Vocational and Applied Technology Education Act and adult education programs authorized by the Adult Education Act, the Stewart B. McKinney Homeless Assistance Act, and title VI of the National Literacy Act of 1991. Many of the programs within this account are unauthorized.

Vocational education basic grants

This bill includes \$972,750,000 for basic grants to states under the Carl D. Perkins Vocational and Applied Technology Education Act, which is the same as the fiscal year 1996 amount and \$127,250,000 below the budget request. State formula grants support programs that are of sufficient size, scope, and quality to be effective; that integrate academic and vocational education; and that provide equitable participation in these programs for special populations such as the disadvantaged and the disabled.

Consistent with the Committee's policy of giving priority to broad based grant programs, level funding is provided for this program.

Tech-prep

The bill includes \$100,000,000 for tech-prep which is the same as fiscal year 1996 and \$100,000,000 above the budget request. Funding of this program and school-to-work provides a total of \$450,000,000 for programs providing transitions from school to work.

Tribally controlled postsecondary vocational institutions

The bill includes \$2,919,000 for grants for tribally controlled postsecondary vocational institutions, the same as both the fiscal year 1996 amount and the budget request. The Administration requested no funds for this program. This program provides grants for the operation and improvement of training programs to ensure continuation and expansion of vocational training opportunities for Indian youth.

National programs, research

For national research programs, the Committee provides no funding, which is \$4,998,000 below the 1996 amount. This authority supports the conduct and dissemination of research in vocational education, and includes support for the National Center for Research in Vocational Education, six regional curriculum coordination centers, and other discretionary research.

State programs for adult education

For state programs authorized by the Adult Education Act, the Committee recommends \$250,000,000, which is the same as the fiscal year 1996 amount, and \$40,000,000 below the budget request. State formula grants support programs to enable all adults to acquire basic literacy skills, to enable those who so desire to complete a secondary education, and to make available to adults the means to become more employable, productive, and responsible citizens.

National programs—evaluations and technical assistance

The Committee provides no funding for the proposed national programs—evaluations and technical assistance. As noted in the beginning of this section of the report, the Committee remains concerned by the multiple programs dealing with research, technical assistance and demonstrations. If there are high priority programs that need to be funded, the Committee has provided funding in the basic OERI accounts.

National Institute for Literacy

For the National Institute for Literacy, the bill provides \$4,000,000, which is \$860,000 below the fiscal year 1996 amount and \$1,000,000 below the budget request. The Institute supports research and development projects, tracks progress made toward national literacy goals, supports research fellowships, disseminates information through a national clearinghouse, and coordinates literacy information data from national and state sources.

Literacy programs for prisoners

The Committee recommends no funding for literacy programs for prisoners which is the same as the budget request and \$4,723,000 below the fiscal year 1996 amount.

STUDENT FINANCIAL ASSISTANCE

The bill provides \$6,630,407,000 for student financial assistance, an increase of \$371,820,000 over the fiscal year 1996 appropriation and \$729,000,000 below the budget request. The Committee considers student financial assistance to be among the highest priorities within its jurisdiction. While total discretionary funding allocated to the Labor, Health and Human Services and Education appropriations bill has declined slightly from the comparable fiscal year 1996 funding levels, the Committee has increased funding for student financial assistance and has correspondingly reduced funding for lower priority programs. The Committee notes that total estimated Federal assistance available to students will rise under this bill to \$40,714,000,000 in fiscal year 1997 from \$38,298,000,000 in fiscal year 1996, an increase of more than \$2,400,000,000.

Pell Grants

The bill raises the maximum Pell Grant from the fiscal year 1996 level of \$2,470 to \$2,500, an increase of \$30, to provide the highest maximum grant ever awarded. This raise in the maximum grant will increase the number of students who qualify for Pell Grants and will increase grants by \$30 for all 3.5 million students esti-

mated to receive Pell Grants in fiscal year 1997. The budget request proposes a maximum grant of \$2,700.

The bill provides \$5,342,000,000 in new budget authority for the Pell Grant program, an increase of \$428,000,000 over the new budget authority provided in the fiscal year 1996 appropriation, and \$577,000,000 less than the budget request. The Committee considers this means-tested voucher program to be among the highest priorities under its jurisdiction and has made difficult offsetting reductions elsewhere in the bill in order to increase the maximum grant.

The bill includes a provision included in each of the last three annual appropriations bills requiring the Department to adjust grant awards at the time of publication of the payment schedule for award year 1997–1998 if the estimates of the budget authority necessary to support a \$2,500 maximum grant have increased substantially.

Supplemental education opportunity grants

The bill provides \$583,407,000 for supplemental educational opportunity grants (SEOGs), the same as the budget request and the fiscal year 1996 appropriation. The Committee considers these grants to be among the highest priorities under its jurisdiction. The SEOG program provides grants through postsecondary institutions to qualified students who demonstrate exceptional financial need to meet the cost of education. Institutions have broad flexibility within the eligibility criteria for awarding these grants with the exception that priority be given to Pell Grant recipients.

Work-study

The bill provides \$685,000,000 for the work-study program, an increase of \$68,492,000 over the comparable fiscal year 1996 appropriation and \$6,000,000 over the budget request. The Committee considers this program to be among the highest priorities under its jurisdiction and has made difficult offsetting reductions elsewhere in the bill in order to increase funding above the fiscal year 1996 appropriation and the President's request. Funding for this program is provided through institutions to students who work part-time to meet the cost of education. Institutions receive funding according to a statutory formula and may allocate it for job location and job development centers. The bill includes \$1,500,000 to carry out the provisions of section 448(f) of the Higher Education Act of 1965, as amended, which includes a separate authorization of appropriations for "work colleges."

Perkins loans capital contributions

The bill does not provide additional funding to increase the existing \$6,000,000,000 Perkins Loan corpus which is managed by approximately 2,700 participating schools. The fiscal year 1996 bill provided an additional \$93,297,000 and the budget requests \$158,000,000 in additional capital. The Committee has taken this decision consistent with the President's fiscal year 1995 budget request which indicated that the current Perkins corpus in combination with student loans executed under the Federal Family Edu-

cation Loan program and the Federal Direct Student Loan program provide adequate sources for student borrowing.

The Committee notes that total student loan assistance available pursuant to current law entitlements and this bill will increase by over \$2,400,000,000 from the fiscal year 1996 levels. The Committee further notes that according to Administration testimony during the fiscal year 1997 budget hearings, in award year 1994–1995, the latest year for which data are available, institutions participating in the Perkins loan program transferred more than \$10,800,000 from their Perkins capital contribution allotment to the work-study and SEOG programs, activities for which this bill increases fiscal year 1997 funding over both the President's request and the comparable fiscal year 1996 appropriation. Finally, the Committee notes that any student that would otherwise qualify for a Perkins loan if new capital were added to the program in fiscal year 1997 will qualify for either a Federal Family Education Loan or a Federal Direct Student Loan. According to information provided by the Department, institutions will make approximately \$855,000,000 in new Perkins loans in fiscal year 1997 under the terms of this bill.

The Perkins loan program provides low-interest loans to students through individual institutional revolving funds. Institutions are required to match one-third of the Federal capital contribution.

Perkins loans cancellations

The bill provides \$20,000,000 for Federal Perkins loans cancellations, the same amount provided in fiscal year 1996 and the same as the budget request. The Federal Government reimburses institutional Perkins revolving loan funds for loan cancellations permitted under federal law. Loans may be canceled when the borrower pursues a career in one of 12 statutorily-designated professions including corrections, medical technical work, and Peace Corps or VISTA service.

State Student Incentive Grants

The bill does not provide funding for the State Student Incentive Grant (SSIG) program consistent with the budget request and the recommendations of the National Performance Review which indicated that the program has accomplished its purpose. The fiscal year 1996 Act provided \$31,375,000 for this program in the first year of a proposed two-year phase-out of funding.

The Committee notes that total student loan assistance available pursuant to current law entitlements and this bill will increase by over \$2,400,000,000 from the fiscal year 1996 level.

The SSIG program was established in 1972 to encourage and expand State scholarship assistance to postsecondary students with substantial financial need. At that time, 26 states provided such need-based grants. Today, all 50 states and the District of Columbia provide such assistance. In addition, 46 states over-match the SSIG requirement, 42 states award need-based aid in addition to SSIG, 33 states award non-need-based aid, 23 states support part-time students, and 21 states assist graduate as well as undergraduate students. SSIGs now account for only 2.5% of grants awarded by States. All States have participated in the SSIG program since 1978.

The Committee concurs with the findings of the National Performance Review which indicated that 24 years of Federal support has been more than sufficient to encourage States to develop their own student financial assistance programs. State grant programs have been aware for some time of Congressional and Administration proposals to phase out or terminate Federal funding for this program. Each of the States should be well prepared to maintain state student assistance during the phase out of Federal funding.

The Committee notes that the Administration testified during the fiscal year 1997 hearings that studies have indicated that in the twenty-five largest States which provide 80% of all State student aid, Federal SSIG appropriations historically have had no effect on State expenditures.

FEDERAL FAMILY EDUCATION LOAN PROGRAM

The bill provides \$29,977,000 for administration of the Federal Family Education Loan (FFEL) program, the same as the comparable fiscal year 1996 appropriation and \$16,595,000 below the budget request. This discretionary administrative funding is provided in the FFEL appropriation account rather than under the Department's Salaries and Expenses account pursuant to a requirement of the Federal Credit Reform Act of 1990. These funds support Federal administrative activities including processing payments and claims, reducing loan default costs, and program monitoring. FFEL loans are financed with private capital and reinsured by the Federal Government against borrower default, death, disability and bankruptcy. Federal costs include payments for such insurance claims as well as support for borrower interest benefits. FFEL loans have supported over \$150,000,000,000 in loans to student and parent borrowers since their inception. This account includes discretionary Federal administrative costs only. Additional amounts for new FFEL subsidies and mandatory administrative expenses for fiscal year 1997 are provided under permanent authority.

HIGHER EDUCATION

The bill provides \$829,497,000 for higher education programs, a decrease of \$7,460,000 below the comparable fiscal year 1996 appropriation and \$143,274,000 below the budget request. The bill does not adopt the Administration request to create a new merit-based scholarship program in fiscal year 1997. The Committee notes that the Administration has not even transmitted a proposal for the necessary authorization for this program. In addition, the Administration is requesting \$130,000,000 for this new merit-based program at the same time it is requesting to reduce scholarship amounts provided under the existing Federal merit-based scholarship program.

The Committee believes that the Department should take a more active role in monitoring compliance with the provisions of the Higher Education Act related to campus crime, including section 485(f) which requires schools to compile and distribute campus crime data. The Committee notes the Department's responsibility under Section 485(f)(4)(B) to provide technical assistance to schools participating in programs under Title IV of the Act to improve the

accuracy of their crime reports. The Committee believes the Department should place greater emphasis on providing such assistance and directs the Department to report to the Committee during the fiscal year 1998 budget hearings regarding the additional efforts it has made regarding this matter. In addition, the Committee directs the Department to require all schools to submit campus crime information to the Department and to verify the accuracy of campus crime reports.

Strengthening institutions

The bill provides \$55,450,000 for the regular strengthening institutions program, the same as the comparable fiscal year 1996 appropriation, \$15,450,000 above the budget request, and \$5,160,000 above the amount necessary to fully fund all continuing multi-year grants. This program provides general operating subsidies for institutions with low average educational and general expenditures per student and significant percentages of low-income students. Awards may be used for faculty and academic program development, management, joint use of libraries and laboratories, acquisition of equipment, and student services.

Hispanic serving institutions

The bill provides \$10,800,000 for the Hispanic serving institutions (HSIs) program, the same as the fiscal year 1996 appropriation and \$1,200,000 below the budget request. The bill includes a provision contained in the budget request overriding the current law requirement that funds be appropriated for the HSI program only when appropriations for the regular strengthening institutions program equal or exceed \$80,000,000. The HSI program provides operating subsidies to schools which serve at least 25% Hispanic students of whom at least half are low-income, first-generation students and at least a quarter of whom are either low-income or first-generation students.

The Committee notes that \$2,000,000 in new program funding is provided in the House version of the Agriculture appropriations bill for fiscal year 1997. In combination with the funding in the Agriculture bill, this bill makes available a total of \$12,800,000 for HSIs, an increase of \$2,000,000 over the fiscal year 1996 appropriation and \$800,000 over the budget request.

Strengthening historically black colleges and universities

The bill provides \$108,990,000 for strengthening historically black colleges and universities (HBCUs), the same as the fiscal year 1996 appropriation and the budget request. This program provides operating subsidies to accredited, legally authorized HBCUs established prior to 1964 whose principal mission is the education of black Americans. Funds may be used to support both programs and management and are distributed through a formula grant based on the enrollment of Pell Grant recipients, number of graduates, and the number of graduates entering graduate or professional schools in which blacks are underrepresented. The minimum grant is \$500,000.

Strengthening historically black graduate institutions

The bill provides \$19,606,000 for the strengthening historically black graduate institutions program, the same as the fiscal year 1996 appropriation and the budget request. The program provides 5-year grants to the following 16 post-secondary institutions which are specified in section 326(e)(1) of the Higher Education Act: Morehouse School of Medicine, Meharry Medical School, Charles R. Drew Postgraduate Medical School, Clark-Atlanta University, Tuskegee University School of Veterinary Medicine, Xavier University School of Pharmacy, Southern University School of Law, Texas Southern University School of Law and School of Pharmacy, Florida A&M University School of Pharmaceutical Sciences, North Carolina Central University School of Law, Morgan State University qualified graduate program, Hampton University qualified graduate program, Alabama A&M qualified graduate program, University of Maryland Eastern Shore qualified graduate program, and Jackson State qualified graduate program. No grants may be made to the last 11 institutions until the first 5 institutions have received at least \$12 million. Grants are limited to \$500,000 unless the institution agrees to match the entire grant with the exception of a minimum \$3,000,000 set-aside for the Morehouse School of Medicine. Awards may be used for building endowments as well as the same purposes for which the strengthening HBCU grants may be used.

Endowment grants

The bill does not provide funding for the endowment challenge grants program consistent with the policy adopted in the fiscal year 1996 appropriations Act. The Administration proposed to terminate the regular endowment challenge grant program and to amend the underlying law to permit funding the HBCU endowment set-aside at the 1995 level of \$2,015,000 without funding the underlying program as is currently required.

Endowment challenge grants may be awarded to institutions eligible for other strengthening institutions programs on a matching basis of one institutional dollar for every two Federal dollars. Grants may not exceed \$500,000 until total appropriations for endowment grants exceed \$15,000,000.

The Committee believes that these grants are too small to generate any substantial impact on the endowments of participating schools or to meaningfully support the goal of self-sufficiency. The Committee concurs with the Administration request to terminate the regular program consistent with the Reinventing Government recommendations, and for the same reasons, the bill does not provide funding for the HBCU endowment set-aside.

Fund for the Improvement of Postsecondary Education

The bill provides \$15,000,000 for the fund for the improvement of postsecondary education (FIPSE), the same as the comparable fiscal year 1996 appropriation and \$3,000,000 below the budget request. FIPSE awards grants and contracts to a variety of postsecondary institutions and other organizations to improve the quality and delivery of postsecondary education. The Committee notes with approval the Department's proposal to award grants focusing

on restructuring and cost-containment within the postsecondary education industry.

Minority teacher recruitment

The bill provides \$2,212,000 for the minority teacher recruitment program, the same as the comparable fiscal year 1996 appropriation and \$246,000 below the budget request. The Committee has provided funding for this program because it believes the recruitment of minority teachers to support a racially balanced teaching population is a high priority for the country. However, the Committee remains concerned about the ability of a program of this size to meaningfully impact the racial distribution of the national teacher population. Accordingly, the Committee directs the Department to measure the impact of the program according to quantifiable indicators of program success in achieving the program goals indicated in the fiscal year 1997 budget justification.

The minority teacher recruitment program awards two types of grants. Partnership grants support institutions of higher education in developing partnerships with local educational agencies and community based organizations to recruit and train minorities for teaching careers. Teacher placement grants support departments of education in developing and implementing programs to prepare students to become elementary and secondary school teachers and to place them in jobs with schools that have substantial minority populations.

Minority science improvement

The bill provides \$5,255,000 for the minority science improvement program (MSIP), the same as the comparable fiscal year 1996 appropriation and \$584,000 below the budget request. The bill also contains provisions included in the budget request to override two provisions in the underlying law which set-aside funds for non-pre-dominately minority institutions of higher education and for grants to organizations "for a broad range of activities designed to eliminate or reduce specific barriers to the entry of minorities into science and technology."

The Committee considers the recruitment and training of minorities in the fields of science, engineering and mathematics to be high priorities for the country and has therefore continued funding for this program. However, the Committee is concerned that the Administration testified during the fiscal year 1997 budget hearings that during the 22 year history of the MSIP program, the Department has developed no quantifiable outcomes indicators by which to measure the success of or indicate potential improvements in the program. Accordingly, the Committee finds no basis on which to approve the Administration request for increased funding. Rather, the Committee directs the Department to develop tools to measure the impact of the program according to quantifiable indicators of program success in achieving the program goals indicated in the fiscal year 1997 budget justification.

The MSIP program awards grants to improve mathematics, science, and engineering programs at institutions serving primarily minority students and to increase the number of minority students who pursue advanced degrees and careers in those fields.

*International education and foreign languages studies**Domestic programs*

The bill provides \$53,481,000 for the domestic activities of the international education and foreign languages studies programs, an increase of \$3,000,000 over the comparable fiscal year 1996 appropriation and \$1,198,000 over the budget request. The Committee has provided funding to continue this program because it believes that foreign language and international education are high priorities for the country. Nevertheless, the Committee was disturbed to learn during the fiscal year 1997 budget hearings that the Department has not developed quantifiable outcomes indicators by which to measure the success of or indicate potential improvements in the program. The Committee directs the Department to develop tools to measure the impact of the program according to quantifiable indicators of program success in achieving the program goals indicated in the authorizing statute and the fiscal year 1997 budget justification.

The program assists graduate and undergraduate foreign language and area studies programs and students at institutions of postsecondary education. Programs include national resource centers, foreign language and area studies fellowships undergraduate international studies and foreign language programs, international research and studies projects, business and international education projects, international business education centers, language resource centers, and American overseas research centers. In general, the Secretary has discretion to allocate funding among these various activities.

Overseas programs

The bill provides \$4,750,000 for the overseas programs in international education and foreign language studies authorized under the Mutual Educational and Cultural Exchange Act of 1961, popularly known as the Fulbright-Hays Act. The appropriation is the same as the comparable fiscal year 1996 appropriation and \$1,040,000 below the request. The Committee has continued funding for the overseas programs because it considers international education and foreign language studies to be a high priority for the country. However, the Committee is concerned about the lack of quantifiable data regarding the program's success in accomplishing the purposes for which it was established. Therefore, the Committee directs the Department to report on program success in achieving the goals indicated in the authorizing statute in the fiscal year 1997 budget justification.

Funding for these programs supports group projects abroad, faculty research abroad, special bilateral projects, and doctoral research abroad.

Institute for International Public Policy

The bill does not provide funding for the Institute for International Public Policy, a decrease of \$920,000 below the comparable fiscal year 1996 appropriation and \$1,000,000 below the budget request. This program provides a grant to the United Negro

College Fund to operate the Institute through sub-grantees chosen among minority serving institutions.

The Committee notes that the bill provides \$139,396,000 in unrestricted operating subsidies to HBCUs and HSIs under the strengthening institutions programs which may be used for the purposes of supporting the Institute for International Public Policy if the recipient institutions deem it to be a sufficiently high priority to merit the allocation of limited Federal and institutional resources. Specifically, according to the Department of Education, the fiscal year 1995 sub-grantees of the Institute for International Public Policy received over \$7,700,000 in fiscal year 1995 strengthening institutions funding.

Law school clinical experience

The bill does not provide funding for the law school clinical experience program consistent with the budget request and the policy adopted in P.L. 104-19 and P.L. 104-134 to phase out federal appropriations by providing funding only to continue existing multi-year grants. The last new 3-year grants were awarded in fiscal year 1994 and are funded to completion in fiscal year 1996. The fiscal year 1996 appropriation was \$5,500,000.

The Committee concurs with the administration proposal to terminate the law school clinical experience program in accord with the findings of the National Performance Review that the program does not perform a federal responsibility, and regardless, has already achieved its purpose. The American Bar Association, which is the national accrediting agency for law schools, recommends that all schools provide students clinical experience in order to obtain accreditation. In addition, because clinical experience is generally considered a critical component of legal education and because virtually all schools operate clinical experience programs, schools have an economic incentive to provide such opportunities in order to attract students regardless of whether Federal funding is available for such activities. For these reasons, the Committee believes that this program clearly does not perform a Federal responsibility and should not be funded during this period of fiscal constraint.

Urban community service

The bill provides \$8,280,000 for the urban community service program, a decrease of \$920,000 below the fiscal year 1996 appropriation. The budget request does not include funding for this program. Funds are allocated for 5-year urban community service grants to universities for projects which address urban problems and needs such as job training, poverty, health care, substandard schools, problems of the elderly, problems of families and children, environmental concerns, economic development, crime prevention, and urban infrastructure.

The Committee concurs with the Reinventing Government proposal which concluded that urban community services are not a primary responsibility of the Department of Education. In addition, the Federal Government operates many programs which directly address the purposes of this program in a more focused manner with national scope. Therefore, the Committee has reduced funding for this program by 10% from the fiscal year 1996 level.

Interest subsidy grants

The bill provides \$15,673,000 for interest subsidy grants authorized under section 702 of the Higher Education Act, the same amount requested in the budget and \$1,039,000 below the comparable fiscal year 1996 appropriation. This program provides loan subsidies to higher education institutions for facilities acquisition, construction and renovation loans taken prior to 1974. All loans will terminate by the year 2013. The authority to initiate new loan subsidy commitments was repealed in the 1992 amendments to the Higher Education Act. Interest subsidies provide institutions the difference between the interest they pay on commercially-obtained loans and 3% of the loan balance. The bill provides funding sufficient to meet the Federal Government's commitments on the 274 loans expected to be in repayment status in fiscal year 1997.

TRIO

The bill provides \$500,000,000 for the six TRIO programs, an increase of \$37,007,000 over the comparable fiscal year 1996 amount and the same as the budget request. The Committee recommends this substantial investment in TRIO because it believes that the recruitment and retention of an economically and racially balanced postsecondary student population is a high priority for the country. The Committee notes that funding for the TRIO programs has increased by 107% since fiscal year 1990.

The TRIO programs provide a variety of outreach and support services to encourage low-income, potential first-generation college students to enter and complete college. The Committee is concerned that TRIO be fully evaluated against its performance goals to ensure that students receive the maximum benefit possible from the federal investment in their education and to justify this substantial level of support. The Committee is especially concerned that the preliminary evaluation data reported in the fiscal year 1997 budget justification are not directly related to the most important purposes of the TRIO programs: enrolling, retaining, and graduating TRIO students in and from postsecondary programs of education. The Committee directs the Department to provide quantifiable evaluation data comparable across grantees that directly indicate the level of success in achieving the goals of the TRIO programs as identified in the authorizing statute and the fiscal year 1997 budget justification.

Early intervention scholarships and partnerships

The bill does not provide funding for the early intervention scholarships and partnerships program, the same as the budget request and a decrease of \$3,108,000 below the fiscal year 1996 appropriation. This program supports grants to 9 states to provide support services to students at risk of dropping out of school. States must also guarantee some level of tuition assistance for participating students who meet State-specified academic goals.

The Committee concurs with the budget request which states that the program, “* * * is overly complex and would require a significant investment of Federal funds to operate at a level that would have a national impact. In view of the significant level of Federal student aid and TRIO program services available to post-

secondary students, the Administration does not recommend funding * * * " The early intervention scholarships and partnerships duplicate the purposes of state student financial assistance programs, the TRIO program, and Federal student financial assistance programs. The Committee notes that this bill together with current law entitlements will provide over \$40,000,000,000 in student financial assistance in fiscal year 1997 to students pursuing postsecondary education, an increase of more than \$2,400,000,000 over the amount available in fiscal year 1996. Much of this assistance is "guaranteed" to students in the form of loan program entitlements.

Bethune-Cookman College fine arts center

The bill does not provide funding for the Bethune-Cookman College memorial fine arts center, the same as the budget request and \$3,680,000 below the comparable fiscal year 1996 appropriation. This program, if funded, would provide earmarked or single-source funding to Bethune-Cookman College to initiate phase III of an extensive campus construction project.

Phase I of the project—construction of a three-story building including classrooms, library, multi-media center and exhibit hall—was completed with \$6,200,000 in non-competitive federal funding. Congress has already provided \$7,680,000 to complete Phase II of the project which includes construction of a performing arts center and a hospitality management training facility.

In general, the Committee does not believe that Federal funding ought to be designated for specific institutions non-competitively. Capital projects are the responsibility of individual education institutions, not the Federal government. The bill provides administrative funding of \$104,000 for the HBCU capital financing program to make available \$357,000,000 in bond financing to HBCUs, including Bethune-Cookman, for capital projects. In addition, the Federally-chartered Connie Lee provides bond insurance to colleges and universities to reduce the interest paid on bonds necessary to undertake capital projects.

Byrd scholarships

The bill does not provide funding for the Byrd honors scholarships program, a reduction of \$29,117,000 below the comparable fiscal year 1996 appropriation and the budget request. The bill does not include a legislative provision requested by the President to reduce the average Byrd scholarship from \$1,500 to \$1,110 in fiscal year 1997.

The Byrd scholarship program provides formula grants to States to award four-year \$1,500 scholarships to students who demonstrate academic excellence in high school. The program was initiated as a one-year scholarship program and was later expanded to a four-year program.

Unauthorized merit-based assistance

The bill does not provide funding for the new merit-based scholarship program included in the budget request. The Committee notes that the Department has declined even to transmit a proposal for the authorizing law that is a necessary pre-requisite to

appropriations. In addition, the Committee notes that the budget request proposes to create a broad new \$130,000,000 merit-based program at the same time it is requesting a 26% reduction in scholarship amounts under the existing merit-based Byrd scholarship program.

Javits fellowships

The bill does not provide separate funding for the Javits fellowships program but does provide funding to continue all existing Javits fellowships at a cost of \$3,632,577 under the Graduate Assistance in Areas of National Need (GAANN) program consistent with the budget request. The Javits fellowships were funded at \$5,931,000 in the fiscal year 1996 appropriations Act.

The Javits fellowships program provides fellowships of up to \$14,400 to students of superior ability pursuing doctoral study in the arts, humanities, and social sciences. The bill continues the policy established in P.L. 104-19 and P.L. 104-134 of terminating new fellowships but funding existing multi-year commitments to completion.

Graduate assistance in areas of national need

The bill provides \$30,000,000 for the graduate assistance in areas of national need program, the same as the budget request and an increase of \$2,748,000 above the comparable fiscal year 1996 appropriation. The program awards grants to institutions of higher education to provide fellowships of up to five years and \$14,400 to economically disadvantaged students with emphasis on those from traditionally underrepresented backgrounds who have demonstrated academic excellence and who are pursuing graduate education in designated areas of national need.

The Committee believes that this program represents a high priority for the country by virtue of its emphasis on student financial need, underrepresented groups, academic excellence, and study in areas of national need. Nevertheless, the Committee is concerned that during the fiscal year 1997 budget hearings the Department testified that it does not maintain data on how many individuals from underrepresented backgrounds are served through this program and whether their level of achievement is improved by virtue of their participation in the program. The Committee therefore directs the Department to evaluate the success of the program in serving individuals from underrepresented backgrounds and whether and how much such individuals' level of achievement is improved by virtue of participation in the program.

The Committee concurs in the Administration proposal to fund existing Javits and Harris fellowships to completion under the GAANN program.

HOWARD UNIVERSITY

The bill provides \$187,348,000 for Howard University, an increase of \$5,000,000 over the comparable fiscal year 1996 funding level and \$8,615,000 below the request. Howard University is a "Research I" university located in the District of Columbia. Direct appropriations for Howard University are authorized by 20 U.S.C. 123, originally enacted in 1867. The Committee is pleased with the

testimony presented during the fiscal year 1997 budget hearings regarding the University's plans to consolidate program and administrative activities to improve the effectiveness and efficiency of the University. The Committee commends the University on development of its strategic plan and encourages its expeditious implementation.

Academic program

The bill includes \$157,859,000 for the regular appropriation for Howard University, an increase of \$5,000,000 over the comparable appropriation for fiscal year 1996 and \$5,085,000 below the budget request. Howard University provides undergraduate liberal arts, graduate and professional instruction to over 11,000 students from 47 states. Masters degrees are offered in over 85 fields and Doctor of Philosophy degrees in 24 fields.

The bill does not include a provision contained in the budget request to earmark funds for the endowment. Rather, the bill continues the policy established in the fiscal year 1996 appropriations Act which allows the university to dedicate a portion of its regular appropriation to the endowment at its discretion. The Committee directs that Howard notify the Congress of any transfer from the regular appropriation to the endowment at least 15 days prior to execution of the transfer.

The bill, consistent with the policy established in P.L. 104-134, provides Howard with a single appropriation. The Committee believes that Howard should have the discretion to use these funds as the university administration and Board of Trustees see fit. The Committee notes that the authority under which funds are appropriated for Howard permits expenditures for academic services, financial support of students, contributions to the university endowment or construction.

The Committee expects that Howard University will submit a single budget request for academic-related activities and not submit separate project- or activity-specific requests.

Howard University Hospital

The bill includes \$29,489,000 for the Howard University Hospital, the same level as both the fiscal year 1996 amount and the budget request. The hospital serves as a major acute and ambulatory care center for the District of Columbia. It provides both inpatient and outpatient services and serves as a facility for training physicians, nurses, and other professional and technical health care personnel. The direct federal appropriation partly finances these activities.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

The bill provides \$698,000 for the Federal administration of the college housing and academic facilities loan program, the same as the comparable fiscal year 1996 appropriation and \$2,000 less than the budget request. Under the terms of the Federal Credit Reform Act of 1990, these funds reimburse the Department for salaries and expenses that are directly related to the administration of the loan program. These costs are incurred for the continuation of the existing loan program, whether or not new borrowing authority is pro-

vided during the current fiscal year. The bill does not include authority for the Department to make new loans during fiscal year 1997.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL AND FINANCING PROGRAM

Federal administration

The bill provides \$104,000 for the administration of the historically black college and university capital financing program authorized under part B of title VII of the Higher Education Act. This amount is \$62,000 less than the comparable fiscal year 1996 appropriation and the same as the budget request. The program is intended to make capital available for repair and renovation of facilities at historically black colleges and universities. In exceptional circumstances, capital provided under the program can be used for construction or acquisition of facilities.

Bond subsidies

Under the HBCU capital program, a private, for-profit “designated bonding authority” issues construction bonds to raise capital for loans to historically black colleges and universities for construction projects. The Department provides insurance for these bonds, guaranteeing full payment of principal and interest to bond holders. Federally insured bonds and unpaid interest are limited by statute to \$357,000,000. The letter of credit limitation establishes the total amount of bonds which can be issued by the designated bonding authority. The credit limitation must be explicitly stated in an appropriation Act according to the authorizing legislation.

EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

The bill includes \$319,264,000 for education research, statistics, and improvement programs. This amount is \$315,486,000 less than the budget request, and \$31,382,000 below the fiscal year 1996 level. This account supports education research authorized under the Educational Research, Development, Dissemination, and Improvement Act of 1994, title IX of P.L. 103–227; the National Center for Education Statistics and the National Assessment of Educational Progress authorized by the National Education Statistics Act of 1994, title VI of P.L. 103–382; titles II, III, X, and XIII of the Elementary and Secondary Education Act; and title VI of Goals 2000: Educate America Act.

Research

This bill includes \$123,641,000 for educational research, an increase of \$15,641,000 over the budget request and \$16,620,000 over the fiscal year 1996 amount. The Office of Educational Research and Improvement conducts research and development activities, which are authorized under the Educational Research, Development, Dissemination, and Improvement Act of 1994, title IX of P.L. 103–227. The 1994 Act established a National Educational Research Policy and Priorities Board within the Office of Educational Research and Improvement, and authorizes five new national research institutes for the following subject areas: (1) student

achievement, curriculum, and assessment; (2) education of at-risk students; (3) educational governance, finance, policy-making, and management; (4) early childhood development and education; and (5) postsecondary education, libraries, and lifelong learning. The Assistant Secretary is authorized to support activities to increase the participation of minority researchers and institutions as well as research and development centers, in order to support the objectives of the national research institutes. A new national education dissemination system is established to coordinate various dissemination activities, including an electronic network linking various offices and activities at the Department of Education; maintain the 16 Educational Resources Information Center Clearinghouses (ERIC); identify successful educational programs and disseminate information about them; provide contracts for the operation of regional educational laboratories to conduct research and development, provide technical assistance, promote education reform, and assist rural education; including learning grant institutions and district education agents; support a teacher research dissemination demonstration program; and operate the National Library of Education.

The Committee encourages the Office of Education Research and Improvement to continue to support the evaluation, expansion and dissemination of innovative programs through which local community-based cultural organizations collaborate formally with local schools to provide music education and infuse music into core curricula.

The Committee is also pleased that the Office of Education Research and Improvement is considering supporting outcomes-based research to quantify the degree to which involvement in one-to-one mentoring programs contribute to the academic performance of children placed at-risk. The Committee encourages OERI to continue to place a high priority on this research and demonstration initiative within the funds provided.

The funding level provided in the bill assumes funding for the National Board for Professional Teaching Standards as proposed by the President.

The Committee reiterates its intent, expressed in the Conference Report on the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-134) (Report No. 104-537) that all work of the Regional Education Laboratories be based on the priorities established by their regional governing boards.

As noted elsewhere in this report, the Committee is concerned by the lack of data on the effectiveness of programs within the Department of Education and encourages the Office to include, within its planning process, activities that will develop evaluation techniques for federally funded education programs and to begin to develop and fund projects to evaluate the Department's programs. These activities should be carried out in conjunction with the performance measures being developed under the Government Performance and Results Act.

Statistics

This bill includes \$50,000,000 for the activities of the National Center for Education Statistics, exclusive of the National Assess-

ment of Educational Progress. This amount is \$3,773,000 above the fiscal year 1996 amount, and the same as the budget request. Statistics activities are authorized under the National Education Statistics Act of 1994, title VI of P.L. 103-382. The Center collects, analyzes, and reports statistics on all levels of education in the United States. Activities are carried out directly and through grants and contracts. Major publications include "The Condition of Education" and "Digest of Education Statistics." Other products include projections of enrollments, teacher supply and demand, and educational expenditures. Technical assistance to state and local education agencies and postsecondary institutions is provided. International comparisons are authorized.

Assessment

This bill includes \$32,623,000 for the National Assessment of Educational Progress, the same as the fiscal year 1996 amount, and \$127,000 below the budget request. The Assessment is authorized under section 411 of the National Education Statistics Act of 1994, and is the only nationally representative survey of educational ability and achievement of American students. The primary goal of the Assessment is to determine and report the status and trends of the knowledge and skills of students, subject by subject. Subject areas assessed in the past have included reading, writing, mathematics, science, and social studies, as well as citizenship, literature, art, and music. The Assessment is operated by contractors through competitive awards made by the National Center for Education Statistics; a National Assessment Governing Board formulates the policy guidelines for the program.

Fund for the improvement of education

The bill includes \$40,000,000 for the fund for the improvement of education which is the same as the budget request and \$2,389,000 above the fiscal year 1996 amount. The fund for the improvement of education has a broad portfolio of activities related to the national education goals and systemic education reform. Under the fund, the Secretary of Education supports activities that identify and disseminate innovative educational approaches.

International education exchange

This bill includes \$3,000,000 for the international education exchange program authorized under title VI of the Goals 2000: Educate America Act, which is the same as the budget request and \$2,000,000 less than the fiscal year 1996 amount. This program provides to educators in eligible countries overseas selected curricula and teacher training programs in civics and economic education that have been developed in the United States.

21st century community learning centers

The bill provides no funding for 21st century community learning centers, the same as the budget request and \$750,000 below the 1996 amount. The program supports grants to rural and inner-city public elementary or secondary schools, or consortia of such schools, to enable them to plan, implement, or expand projects that

benefit the educational, health, social services, cultural, and recreational needs of rural or inner-city community.

This program provides only six grants. It is clearly duplicative of other provisions of the Elementary and Secondary Education Act, as amended, which authorize local education agencies, individual schools, or consortia of schools to use up to 5% of the funds they receive under ESEA to establish and implement coordinated services projects that provide elementary and secondary school students and their families with better access to social, health and education services.

Civic education

This bill includes \$4,000,000 for the civic education program, the same as both the budget request and the fiscal year 1996 level. Under this program, a sole source award is made to the Center for Civic Education for its "We the People" program.

Eisenhower professional development national activities

This bill includes no funding for the Eisenhower professional development national activities, which is \$15,000,000 below the budget request and \$17,984,000 less than the fiscal year 1996 amount. The purpose of this program is to support activities of national significance related to professional development in core subject areas.

As noted above, the Committee is concerned by the Department's insistence in maintaining the broad array of research, technical assistance, dissemination and demonstration programs. As with the other similar accounts, the Committee expects the Secretary to use his broader authorities, through the research priorities plan, to fund the highest priority projects and activities.

Educational technology: technology for education

This bill includes \$48,000,000 for the technology for education program, \$277,000,000 below the budget request and the same as the fiscal year 1996 amount. The purpose of this program is to support technology applications in elementary and secondary schools, professional development in educational technology, and technology-related services in nationally significant activities.

The Committee carefully reviewed the administration's request for an over 600% increase in this account and is not recommending such an increase. When asked in hearings before the Subcommittee on Labor, Health and Human Services and Education and Related Agencies for the amounts the federal government is currently spending on educational technology the Secretary of Education responded "The Department does not have data to document the amount of this spending." The Secretary did provide the Committee with data indicating that Title VI (Formerly Chapter 2) which the Administration proposes to terminate, spent between \$50,000,000 and \$60,000,000 per year on education technology. They also provided results of a study that indicated that of the \$3,300,000,000 spent by the schools on technology, an estimated 25% came from federal sources, although no information was provided on what the sources were or the uses to which the funds were put. Similarly, in testimony, the Assistant Secretary for Educational Research and Improvement indicated that the Department does not know the

amount of money it spends on training professionals in the use of technology in the classroom.

The Assistant Secretary, in her testimony, indicated that in addition to the Chapter 2 funding, title I grantees spent \$450,000,000 for technology in school year 1994–95 and Goals 2000 funding provided an additional \$5,000,000. Yet, neither the Secretary nor the Assistant Secretary provided the Committee with any information on how these substantial flows of money would be coordinated with the new, proposed spending to assure its effectiveness.

More importantly, in its Budget Justification, the Department indicated that “* * * for many important questions, there is still little sound research knowledge.” Included among the areas mentioned in the Justification are (1) how to use computer technology in the classroom to improve student learning and improve teaching of mathematics and science, and (2) “What uses of computers move beyond entertainment to true learning of challenging subject matter.”

The Committee believes that without a better understanding of current spending, the effectiveness of current expenditures, and a better knowledge base of how to employ technology any increase in this account is premature.

The Committee also notes that there is very little high quality educationally sound software for K–12 instruction. The Department is encouraged to explore methods to encourage the development of such software through demonstrations and other activities.

The Committee specifically notes that “I Can Learn” is a particularly effective computerized teaching program for teaching algebra I and was tested in McDonogh #35 high school, an inner city magnet school in New Orleans. Such programs allow students to progress at their own rate, automate repetitive tasks, and help assure equal outcomes for both males and females. Students using “I Can Learn” learned 53% faster and retained 37% more than a control group. As noted above, the Committee strongly urges the Department to support the demonstration and technical assistance necessary to allow programs such as “I Can Learn” to be more widely adopted. The Department is instructed to provide the Committee with a report on the progress in supporting the implementation of such programs.

Educational technology: star schools

The bill includes no funding for the star schools program, \$25,000,000 less than the budget request and \$23,000,000 less than the fiscal year 1996 amount. This program supports the development of statewide or multi-state telecommunications partnerships. Among other activities, these partnerships have sought to increase the availability of courses in mathematics, science, and foreign languages; serve educationally disadvantaged students; and train teachers in the use of telecommunications equipment. The Committee decided to consolidate funding for this program into title VI, Innovative educational program strategies. This decision provides maximum flexibility to states and localities to fund technology, an activity which already represented a substantial portion of title VI spending.

Educational technology: ready to learn television

The bill includes no funding for ready to learn television, \$7,000,000 less than the budget request and \$6,440,000 less than the 1996 amount. Program objectives include the development and distribution of state and local education agencies, higher education institutions, and other agencies for research, demonstration, training, and other activities to identify and meet the educational needs of gifted and talented students.

Javits gifted and talented education

This bill includes \$3,000,000 for the Jacob K. Javits Gifted and Talented Students Education Act, \$7,000,000 below the budget request and the same as the 1996 amount. This program provides assistance to state and local education agencies, higher education institutions, and other agencies for research, demonstration, training, and other activities to identify and meet the educational needs of gifted and talented students.

Eisenhower regional mathematics and science education consortia

This bill includes \$15,000,000 for the Eisenhower regional mathematics and science education consortia, the same as the budget request and the 1996 amount. The purpose of the consortia is to disseminate exemplary mathematics and science instructional materials and provide technical assistance in the use of improved teaching methods and assessment tools.

National writing project

The bill provides no funding for the National Writing Project which is the same as the budget request and \$2,955,000 below the fiscal year 1996 level. The Committee concurs with the Administration that this program, while very successful, has been funded since 1976, has proven the value of its techniques and can now be supported by state and local funding either using federal funds such as the expanded title VI (Innovative Strategies) or non-federal sources.

LIBRARIES

The bill includes \$108,000,000 for programs of assistance to libraries. This amount is \$2,000,000 below the fiscal year 1997 budget request and \$24,505,000 below the fiscal year 1996 appropriation. Funds for the Libraries account for 1997 for the Services, Construction and Interlibrary Cooperation programs are provided under current law pending enactment of reauthorizing legislation currently before this Congress. The 1997 request for Libraries would support two primary activities in State and local libraries: (a) greater access and special services for those who have difficulty using libraries effectively, and (b) expanded public access to information through the use of technology.

The Assistant Secretary for Education Research and Innovation in her testimony before the Subcommittee on the Departments of Labor, Health and Human Services and Education and Related Agencies indicated that "The Department recognizes that the purposes of LSCA [Library Services and Construction Act], the goal of which was to ensure that all Americans have access to libraries and to library information resources, have largely been achieved."

The Committee is concerned by any attempt to embark on a new program given the current, substantial fiscal constraints. It has, therefore, provided no funding for the library initiative proposed in the Administration's budget request.

Public library—services

The bill provides \$92,636,000 which is the same as the fiscal year 1996 amount and \$92,636,000 above the budget request.

Public library—construction

The bill provides no funding for library construction, the same as the budget request and \$16,369,000 below the fiscal year 1996 amount. The Committee believes that construction of libraries is a local responsibility that cannot be funded in this time of fiscal constraint.

Public library—interlibrary cooperation

The Committee recommends \$11,864,000 for interlibrary cooperation which is \$11,864,000 above the fiscal year 1997 request and \$6,136,000 below last year.

Library education and training

The Committee recommends \$2,500,000 for Library Education and Training which is the same as last year and \$2,500,000 above the budget request.

Library research and demonstrations

The bill provides \$1,000,000 for library research and demonstrations. This level is \$2,000,000 below fiscal year 1996 and \$1,000,000 above the budget request.

DEPARTMENTAL MANAGEMENT

The bill includes \$401,466,000 for departmental management (salaries and expenses) at the Department of Education. This amount is \$16,060,000 below the fiscal year 1996 appropriation and \$44,510,000 less than the Administration's 1997 budget request. These activities are authorized by the Department of Education Organization Act, P.L. 96-88, and include costs associated with the management and operations of the Department as well as separate costs associated with the Office for Civil Rights and the Office of the Inspector General.

Program administration

The bill includes \$320,152,000 for program administration, an amount \$6,534,000 below the fiscal year 1996 appropriation and a decrease of \$35,324,000 from the 1997 budget request. These funds support the staff and other costs of administering programs and activities at the Department. Items include personnel compensation and health, retirement and other benefits as well as travel, rent, telephones, utilities, postage fees, data processing, printing, equipment, supplies, technology training, consultants and other contractual services. The Committee has reduced the base funding for this account by 2% below the fiscal year 1996 level.

The Department is instructed to include, as a footnote within its audited financial statements, information on revenues, both to the Department and to the Federal government, resulting from the activities of the Department's Inspector General and specifically to identify measurable "funds put to better use" as additional budgetary resources.

Each of the departments under the Committee's jurisdiction is statutorily required to have audited financial statements covering all the department's accounts and activities. Congress enacted this requirement in the Government Management Reform Act of 1994 after having observed the benefits of the pilot program of audited financial statements that had been required by the Chief Financial Officers (CFO) Act of 1990. An audited financial statement is like a "scorecard" that reflects a department's progress in achieving the significant financial management reforms required by the CFO Act, and in providing effective stewardship and management of government funds. Accordingly, the Committee expects the Department to work vigorously towards obtaining a clean opinion on its financial statements. The transfer and reprogramming authority the Committee has granted provides substantial flexibility to the Department and is particularly valuable during periods of increasing fiscal constraints. However, the Committee questions the extent to which agencies can properly exercise such authority and accurately account for affected funds if they have not made substantial progress towards achieving the CFO Act's financial management reforms. Accordingly, in subsequent years, the Committee will consider the Department's progress in making such reforms and in obtaining a clean opinion on its financial statements when scrutinizing requests for current appropriations and in deciding whether to continue, expand or limit transfer and reprogramming authority.

The Committee applauds the Working Group on Comprehensive Early Childhood Family Centers, headed by the Department of Education, for completing its work and presenting its report to the Committee. The working group recommended that an interagency forum to coordinate programs for children and families within and across departments be established; that the Federal and State governments make greater efforts to rationalize and coordinate their multiple programs and funding streams; that greater emphasis on outcomes, rather than process, be used to evaluate program success; and that local programs be given greater flexibility to blend funds to meet local needs.

The Committee continues to be concerned that the Departments of Labor, Health and Human Services, and Education have no institutionalized forum for ongoing interdepartmental collaboration, and that the absence of such a forum leads to fragmentation and duplication of efforts to improve the lives of children and families. The Committee again urges the Departments to institutionalize interdisciplinary collaboration at all levels, and requests a progress report on steps taken to accomplish such departmental collaboration and program coordination no later than March of 1997.

Office for Civil Rights

The bill includes \$54,171,000 for the salaries and expenses of the Office for Civil Rights, an amount \$1,106,000 below the fiscal year

1996 appropriation and \$5,829,000 below the budget request. Consistent with the policy carried out in many of the salary and expense accounts in the bill, the account has been reduced by 2% below last year's funding level. This Office is responsible for enforcing laws that prohibit discrimination on the basis of race, color, national origin, sex, handicap, and age in all programs and institutions that receive funds from the Department. These laws extend to 50 State educational agencies, 16,000 local educational agencies, 3,500 institutions of higher education, as well as to proprietary schools, State rehabilitation agencies, libraries, and other institutions receiving Federal funds. These institutions and agencies generated over 5,000 discrimination complaints in 1993, according to the Office for Civil Rights. In addressing these complaints, the Office's duties include monitoring and performing compliance reviews, investigating allegations, offering advice on corrective and remedial actions, and providing technical assistance to help recipients achieve voluntary compliance.

Office of the Inspector General

The bill includes \$27,143,000 for the Office of the Inspector General, an amount \$1,420,000 below the fiscal year 1996 appropriation and \$3,357,000 less than the fiscal year 1997 budget request. This Office has authority to inquire into all program and administrative activities of the Departments as well as into related activities of grant and contract recipients. It conducts audits and investigations to determine compliance with applicable laws and regulations, to check alleged fraud and abuse, efficiency of operations, and effectiveness of results.

The Committee believes that all of the Inspectors General need to do a better job of accounting for and tracking the savings that they claim to generate by their efforts. More attention must be paid to how much money is actually collected each year and paid back to the Federal government. The Committee directs the Inspector General to report to the Committee each quarter on:

- (1) the actual payments, as a result of fines, restitutions or forfeitures, made to the United States Government as a result of his activities; and
- (2) how "funds put to better use" were used; this report must identify funds made available for use by management and the programs, projects, and activities that were increased as a result of these funds.

GENERAL PROVISIONS

The bill includes provisions which continue the policy established in P.L. 104-134 of limiting the funds and uses of funds available under section 458 of the Higher Education Act for administrative activities related to the Federal Direct Student Loan (FDSL) program. The bill limits the availability of such funds to \$420,000,000 in fiscal year 1997, a decrease of \$175,000,000 below the amount permitted under the authorizing law. The bill requires that \$134,000,000 of such funds be paid as administrative cost allowances owed to guaranty agencies in fiscal years 1996 and 1997. The bill prohibits the use of funds to pay administrative fees to institutions of higher education or for advertising activities relating to the

FDSL program. Finally, the bill prohibits the Secretary from borrowing from future year appropriations and requires the Secretary to consult with Congress prior to requiring the return of guaranty agency reserves. Any guaranty agency reserves returned must be credited to the Treasury to reduce the deficit.

The bill includes a provision prohibiting the use of funds to enforce the student loan program lender audit requirement in section 428(b)(1)(U)(iii) of the Higher Education Act with respect to lenders with total loan portfolios of less than \$5,000,000.

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

The bill provides authority to expend \$53,184,000 from the Armed Forces Retirement Home Trust Fund for operations and capital activities at the United States Soldiers' and Airmen's Home and the United States Naval Home, a decrease of \$2,599,000 below the comparable fiscal year 1996 appropriation and \$3,020,000 below the budget request. Expenditures from the Armed Forces Retirement Home Trust Fund are not authorized for fiscal year 1997. The bill provides a 2% reduction in funding for operations of the Home consistent with the bill-wide policy regarding administrative activities. The bill adopts the request of \$432,000 for capital activities.

Operations

The bill provides authority to expend \$52,752,000 from the Armed Forces Retirement Home Trust Fund for operations of the United States Soldiers' and Airmen's Home and the United States Naval Home, a reduction of \$1,077,000 below the comparable fiscal year 1996 limitation and \$3,020,000 below the budget request. This 2% reduction is consistent with the bill-wide policy regarding administrative activities.

Capital outlay

The bill provides authority to expend \$432,000 from the Armed Forces Retirement Home Trust Fund for capital activities at the Soldiers' and Airmen's Home and the United States Naval Home, the same as the budget request and a decrease of \$1,522,000 below the comparable fiscal year 1996 limitation.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS

The bill provides \$202,046,000 for the Domestic Volunteer Service Programs which are administered by the Corporation for National and Community Service. The recommended amount represents an increase of \$3,929,000 above the comparable fiscal year 1996 appropriation and a decrease of \$24,063,000 below the budget request. Appropriations for these programs are not authorized by law for fiscal year 1997. Funding for the Americorps program which is also administered by the Corporation for National and Community Service is provided in the VA/HUD and Independent Agencies appropriations bill.

VISTA

The bill provides \$41,235,000 for the Volunteers in Service to America (VISTA) program, the same as the comparable fiscal year 1996 appropriation and \$10,365,000 below the budget request. The VISTA program supports individuals who recruit volunteers and organize community volunteer activities but who do not provide direct volunteer services.

National Senior Volunteer Corps

The bill provides a total of \$132,841,000 for the National Senior Volunteer Corps, an increase of \$4,500,000 over the comparable fiscal year 1996 appropriation and \$11,923,000 below the budget request.

The bill provides \$65,889,000 for the Foster Grandparents program, an increase of \$3,652,000 above the comparable fiscal year 1996 appropriation and \$6,923,000 below the budget request. This program provides volunteer service opportunities for low-income people aged 60 and over.

The bill provides \$31,244,000 for the Senior Companion program, an increase of \$89,000 over the comparable fiscal year 1996 appropriation and \$3,000,000 below the budget request. The program provides project grants to private, non-profit organizations and State and local public agencies to offer volunteer service opportunities to low-income individuals aged 60 and over. These volunteers assist older adults with physical, mental or emotional impairments which put them at risk for institutionalization.

The bill provides \$35,708,000 for the Retired Senior Volunteer Program (RSVP), an increase of \$759,000 over the comparable fiscal year 1996 appropriation and \$2,000,000 below the budget request. This program provides part-time volunteer service opportunities for low-income individuals aged 60 and over to recruit volunteers and organize volunteer activities relating to a variety of social needs.

Program administration

The bill provides \$27,970,000 for program administration, a reduction of \$571,000 below the comparable fiscal year 1996 appropriation and \$1,775,000 below the budget request. This 2% reduction in funding from the 1996 level is consistent with the bill-wide policy regarding administrative activities.

CORPORATION FOR PUBLIC BROADCASTING

The bill provides \$250,000,000 in advance funding for fiscal year 1999 for the Corporation for Public Broadcasting (CPB), the same amount provided in the comparable fiscal year 1998 appropriation and \$25,000,000 below the budget request. Appropriations for the CPB are not authorized in law for fiscal year 1999.

The Committee urges the CPB in allocating funding to consider the impact of that allocation on rural radio and TV stations, particularly those which are sole service providers, have minimal donor bases, and serve areas with limited cable alternatives.

The Committee is encouraged by the improving relationship between CPB and minority program producers. The Committee di-

rects the CPB President to be prepared to testify during the hearing on the fiscal year 2000 appropriation for CPB regarding steps CPB has taken during fiscal years 1996 and 1997 to strengthen and enhance African-American, Asian-American, and other minority programming and to support career development of African-American, Asian-American, and other minority media professionals.

The Committee is pleased with the policy adopted by CPB to address the problem of signal overlap. However, the Committee is concerned about the potential effect of the policy on smaller stations located on the periphery of major urban markets and directs CPB to take appropriate steps to ensure that these stations are full partners with other stations in their markets in determining how the base grant is allocated.

FEDERAL MEDIATION AND CONCILIATION SERVICE

The bill provides \$32,579,000 for the Federal Mediation and Conciliation Service (FMCS), the same as the budget request and a decrease of \$236,000 below the comparable fiscal year 1996 appropriation. The Committee has not reduced the FMCS appropriation in accord with the bill-wide policy of 2% reductions for administrative activities because the FMCS has pro-actively implemented a strategic plan to improve long-term efficiency and reduce administrative overhead. The Committee has provided resources to automate the agency, implement a case tracking system, and provide adequate training to improve employee performance and productivity. The Committee anticipates requests for reduced funding in future years.

The FMCS attempts to prevent and minimize labor-management disputes having a significant impact on interstate commerce or national defense, except in the railroad and airline industries. The agency convenes boards of inquiry appointed by the President in emergency disputes and conducts dispute mediation, preventive mediation, and arbitration. In addition, the Service offers alternative dispute resolution services and training to other Federal agencies to reduce litigation costs and speed federal administrative proceedings.

The bill also includes provisions first enacted in the fiscal year 1996 appropriations Act granting the agency the authority to accept gifts and to charge fees for certain services.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

The bill provides \$6,060,000 for the Federal Mine Safety and Health Review Commission, a decrease of \$124,000 or 2% below the comparable fiscal year 1996 appropriation in accord with the bill-wide policy regarding administrative activities and \$272,000 below the budget request. The Commission is responsible for reviewing the enforcement activities of the Secretary of Labor under the Federal Mine Safety and Health Act and for protecting miners against unlawful discrimination. The Commission's administrative law judges hear and decide cases initiated by the Secretary of Labor, mine operators, or miners. The five-member Commission hears appeals from administrative law judge decisions, rules on pe-

titions for discretionary review, and may direct, of its own initiative, review of cases that may present unusual questions of law.

The Committee notes that the Commission did not report to Congress regarding its plans to increase productivity in case disposition and appellate review and to reduce personnel as directed in the fiscal year 1996 report. The Committee directs the Commission to report to Congress on this matter within 90 days of enactment of this Act. This report should be submitted in the form of a strategic plan with specific performance objectives and time frames for accomplishing them.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

The bill provides \$812,000 for the National Commission on Libraries and Information Science, a reduction of \$17,000 below the comparable fiscal year 1996 appropriation and \$85,000 below the budget request. This 2% reduction in funding below the fiscal year 1996 level is consistent with the bill-wide policy regarding administrative activities.

The Commission is charged with advising the President and Congress on national policy in the library and information fields, developing overall plans for meeting national library and information needs, and coordinating activities at the Federal, State and local levels. The Committee reiterates its intention that the Commission continue to expand other sources of Federal and non-Federal revenues including grants and contracts.

NATIONAL COUNCIL ON DISABILITY

The bill provides \$1,757,000 for the National Council on Disability (NCD), a reduction of \$36,000 below the budget request and the comparable fiscal year 1996 appropriation consistent with the bill-wide policy of reducing funding for administrative activities by 2%.

The Council makes recommendations to the President, the Congress, the Rehabilitation Services Administration, and the National Institute on Disability and Rehabilitation Research on public policy issues of concern to individuals with disabilities. The Council focuses on eliminating barriers that prevent persons with disabilities from actively participating in community and family life. The Council also monitors implementation of the Americans with Disabilities Act.

The Committee continues to encourage NCD to augment its appropriation with other sources of Federal and non-Federal revenues including grants and contracts.

NATIONAL EDUCATION GOALS PANEL

The bill provides \$974,000 for the National Education Goals Panel (NEGP), \$1,811,000 below the budget request and a reduction of \$20,000 or 2% below the comparable fiscal year 1996 appropriation consistent with the bill wide policy regarding administrative activities.

The NEGP was established in 1990 following the National Education Summit held in September 1989. The Panel is charged with reporting on National and State progress toward achieving the National education goals, working with states to develop high aca-

demographic standards and assessments, identifying promising and effective practices at the local level, assisting states and communities with their progress reports, and building a bipartisan consensus for education improvement.

NATIONAL LABOR RELATIONS BOARD

The bill provides \$144,692,000 for the National Labor Relations Board, a decrease of \$25,574,000 or 15% below the fiscal year 1996 comparable appropriation and \$36,442,000 below the budget request.

The NLRB receives, investigates, and prosecutes unfair labor practice charges filed by businesses, labor unions, and individuals. It also schedules and conducts representation elections. The five-member Board considers cases in which administrative law judge decisions are appealed.

The Committee is concerned about the potential impact on small employers of the NLRB proposed rule regarding the appropriateness of single location bargaining units. Accordingly, the bill contains a limitation prohibiting the use of funds to promulgate a final rule regarding the appropriateness of single location bargaining units in representation cases.

The bill also includes a limitation on the use of funds for activities relating to disputes involving employers which do not have a substantial impact on interstate commerce and which are not covered by the jurisdictional thresholds established in the authorizing law as updated by inflation. The Committee believes that elimination of cases involving very small employers that do not have a substantial impact on interstate commerce will relieve the NLRB of a substantial caseload, thereby enabling it to improve efficiency, reduce costs, and adequately perform its responsibilities within the resources provided by the bill.

NATIONAL MEDIATION BOARD

The bill provides \$7,656,000 for the National Mediation Board (NMB), a reduction of \$644,000 below the budget request and \$156,000 or 2% below the comparable fiscal year 1996 appropriation consistent with the bill-wide policy regarding administrative activities.

The NMB mediates disputes over wages, hours, and working conditions that arise between employees and those railroad and airline carriers subject to the Railway Labor Act. The Board also resolves representation disputes involving labor organizations that wish to represent railroad or airline employees.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

The bill provides \$7,753,000 for the Occupational Safety and Health Review Commission (OSHRC), the same as the budget request and \$328,000 below the comparable fiscal year 1996 appropriation. The Commission adjudicates contested citations issued by the Occupational Safety and Health Administration (OSHA) against employers for violations of safety and health standards. The Commission's administrative law judges settle and decide cases at the initial level of review. The agency's three appointed

Commissioners also review cases, issue rulings on complicated issues, and may direct review of any decision by an administrative law judge.

The Committee continues to be impressed with the Commission's implementation of its strategic plan and cost cutting initiatives and commends OSHRC for taking very difficult decisions to improve its long term efficiency and productivity.

PHYSICIAN PAYMENT REVIEW COMMISSION

The bill provides authority to transfer \$2,920,000 from the Federal Supplementary Medical Insurance Trust Fund to support the activities of the Physician Payment Review Commission (PPRC), the same as the comparable fiscal year 1996 limitation and \$1,080,000 below the budget request. In view of the substantial reduction in funding provided for this agency in fiscal year 1996, the Committee has not reduced funding for PPRC in fiscal year 1997 consistent with the bill wide policy of 2% reductions for administrative activities.

The Commission serves as an independent agency to advise Congress and the Secretary of Health and Human Services on matters relating to Medicare physician reimbursement and health system reform. The Commission is required by law to report to Congress each year on adjusting Medicare physician payment rates, setting standards for expenditure growth, and monitoring access under Medicare. In addition, the Commission considers policies related to access under the Medicaid program for underserved populations, controlling costs of employment-based health plans, physician training and licensure, medical malpractice reform, and ensuring quality care.

PROSPECTIVE PAYMENT ASSESSMENT COMMISSION

The bill provides authority to transfer \$3,263,000 from the Medicare trust funds to support the activities of the Prospective Payment Assessment Commission, the same as the comparable fiscal year 1996 appropriation and \$639,000 below the budget request. In view of the substantial reduction in funding provided for this agency in fiscal year 1996, the Committee has not reduced funding for the Commission in fiscal year 1997 consistent with the bill wide policy of 2% reductions for administrative activities.

The Commission advises the Congress and the Secretary of Health and Human Services on maintaining and updating Medicare payment policies for hospitals and other facility services. The Commission is also responsible for analysis of Medicaid hospital payments and issues related to health care reform. The Commission issues several reports required by Congress including recommendations on the annual update of Medicare hospital payments and a general report on the impact of the Medicare program on the American health care system.

The Committee is concerned about the impact of changes in government reimbursement programs and in the private market place on critical access urban providers. The Committee directs ProPAC to prepare a plan on how it will study the impact of these changes on hospitals which are urban, have at least 250 beds, and are gov-

ernment dependent, with at least 60% of their days reimbursed by a combination of Medicare and Medicaid; to provide a timetable on completion of the study; and to issue no later than December 1997 a separate technical report on the impact of government and market place changes on these essential urban hospitals.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS ACCOUNT

The bill provides \$223,000,000 for dual benefits, the same as the request and a reduction of \$16,000,000 below the comparable fiscal year 1996 appropriation. These funds are used to pay dual benefits to those retirees receiving both railroad retirement and social security benefits. The bill includes a provision permitting a portion of these funds to be derived from income tax receipts on dual benefits as authorized by law. The Railroad Retirement Board estimates that approximately \$9,000,000 may be derived in this manner, which is \$8,000,000 less than the fiscal year 1996 amount.

FEDERAL PAYMENT TO THE RAILROAD RETIREMENT ACCOUNT

The bill provides \$300,000 for the interest earned on unnegotiated checks, the same as the comparable fiscal year 1996 amount and the same as the budget request.

LIMITATION ON ADMINISTRATION

The bill provides a consolidated limitation of \$87,898,000 on the expenditure of railroad retirement and railroad unemployment trust funds for administrative expenses of the Board, \$2,660,000 below the budget request and \$1,794,000 or 2% below the comparable fiscal year 1996 appropriation consistent with the bill-wide policy regarding administrative activities.

The Railroad Retirement Board (RRB) administers comprehensive retirement-survivor and unemployment-sickness insurance benefit programs for the nation's railroad workers and their families. This account limits the amount of funds in the railroad retirement and railroad unemployment insurance trust funds which may be used by the RRB for administrative expenses.

The Committee commends the RRB on the successful completion of the 5-year Special Management Improvement Program. To date, the RRB has attained all of its performance goals under this initiative on time and within the projected budget. The Committee recommends that the RRB continue this management process by extending its performance goals and measuring progress against those standards.

SPECIAL MANAGEMENT IMPROVEMENT FUND

Fiscal year 1996 was the final year of the 5-year Special Management Improvement program. No funds are requested or appropriated for the program in fiscal year 1997. Congress provided \$657,000 in comparable fiscal year 1996 funding for the initiative.

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

The bill provides authority to expend \$5,268,000 from the railroad retirement and railroad unemployment insurance trust funds for the Office of Inspector General, \$482,000 below the budget request and \$388,000 below the comparable fiscal year 1996 appropriation. This account provides funding for the Inspector General to conduct and supervise audits and investigations of programs and operations of the Board.

The bill includes provisions prohibiting the transfer of funds from the Department of Health and Human Services to the Railroad Retirement Board (RRB) Inspector General and prohibiting the audit, investigation or review of the Medicare program by the RRB IG. The Committee believes that responsibility for maintaining the integrity of the Medicare trust funds rests with the Health Care Financing Administration and the HHS Inspector General. The Committee directs the Railroad Retirement Board Office of Inspector General to focus its activities on improving management of the RRB and safeguarding the Railroad Retirement trust funds.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

The bill provides \$20,923,000 for mandatory payments necessary to compensate the Social Security system for cash benefits paid out but for which no payroll tax is received. This amount is the same as the budget request and \$1,718,000 below the comparable fiscal year 1996 appropriation. These funds reimburse the Old Age and Survivors Insurance (OASI) and Disability Insurance (DI) Trust Funds for special payments to certain uninsured persons, costs incurred administering pension reform activities and interest lost on the value of benefit checks issued but not negotiated. This appropriation restores the trust funds to the position they would have been had they not borne these costs properly charged to the general funds.

The amount provided includes \$2,823,000 for the cost of special payments to a declining population of uninsured persons who were at least 72 years of age in 1968 and attained retirement age before they could accumulate sufficient wage credits to qualify for benefits under the normal retirement formulas. This account also includes \$1,100,000 for reimbursements to the trust funds for administrative costs incurred in providing private pension plan information to individuals and \$17,000,000 to reimburse the trust funds for the value of the interest for benefit checks issued but not negotiated.

ADDITIONAL ADMINISTRATIVE EXPENSES

The bill provides \$10,000,000 for mandatory administrative expenses related to the Coal Industry Retiree Health Benefit program which Social Security must administer under the law. This amount is the same as the budget request and the same as the comparable fiscal year 1996 appropriation. The Energy Policy Act of 1992 combined two existing United Mine Workers of America pension plans into a single fund and required that certain coal mine operators pay health benefit premiums for the new combined plan. Social Se-

curity assigned retired coal miners covered by the combined plan to coal operators and must now provide requested earnings records to mine operators and process appeals of assignments. The funding is available until expended.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

The bill provides \$460,070,000 for special benefits for disabled coal miners, the same as the budget request and \$25,326,000 below the comparable fiscal year 1996 appropriation. This amount does not include \$160,000,000 in advance funding provided in this bill for the first quarter of fiscal year 1998 or \$170,000,000 in advance funding for fiscal year 1997 which was provided in the fiscal year 1996 appropriations Act.

The appropriation provides cash benefits to miners who are disabled because of black lung disease and to widows and children of miners. The Social Security Administration was responsible for taking, processing, and paying claims for miners benefits filed from December 30, 1969 through June 30, 1973. Since that time, SSA has continued to take claims but forwards most to the Department of Labor for adjudication and payment. The SSA will continue to pay benefits and maintain the beneficiary roll for the lifetime of all persons who filed during its jurisdiction. During fiscal year 1997, SSA expects to provide benefits to 127,000 miners, widows, and dependents who will receive a basic benefit rate of \$448.60.

SUPPLEMENTAL SECURITY INCOME PROGRAM

The bill provides \$19,444,556,000 for the Supplemental Security Income (SSI) program, not including \$9,260,000,000 in fiscal year 1997 funding provided in the fiscal year 1996 appropriations Act and not including \$9,690,000,000 in advance funding provided in the bill for the first quarter of fiscal year 1998. The appropriation represents an increase of \$899,044,000 over the comparable fiscal year 1996 appropriation and \$164,444,000 below the budget request.

These funds are used to pay Federal cash benefits to approximately 6,505,000 aged, blind, and disabled persons with little or no income. The maximum monthly Federal benefit payable in fiscal year 1997 is expected to be \$483 for an individual and \$725 for an eligible couple. In addition to federal benefits, the SSA administers a program of supplementary State benefits for those States which choose to participate. The funds are also used to reimburse the trust funds for the administrative costs of the program.

The SSI appropriation includes \$100,000,000 for beneficiary services, a decrease of \$76,400,000 below the comparable fiscal year 1996 appropriation and \$79,000,000 below the budget request. Subsequent to issuing the fiscal year 1997 budget request, the President signed into law P.L. 104-121 which eliminates SSI payments to drug addicts and alcoholics who qualify for assistance primarily on the basis of their addiction beginning January 1, 1997. As a result, the President's budget requests funding for beneficiary services related to benefit payments which will terminate following the first quarter of the fiscal year. However, many individuals who will be removed from the SSI rolls are expected to reapply for benefits on the basis of other disabling conditions. Therefore, the Commit-

tee has included funds to continue providing services related to payments to drug addicts and alcoholics through the first quarter of the year and sufficient funding to process expected reapplication for benefits by individuals removed from the rolls pursuant to P.L. 104-121. Within the beneficiary services activity, the bill provides the budget request of \$41,000,000 to reimburse State vocational rehabilitation services agencies for successful rehabilitation of SSI recipients.

The bill also contains \$7,000,000 for research and demonstration activities conducted under section 1110 of the Social Security Act, the same as the budget request and a decrease of \$1,200,000 below the fiscal year 1996 appropriation. The Commissioner testified during the fiscal year 1997 budget hearings that less than 1% of disability insurance claimants are rehabilitated through the state vocational rehabilitation agencies. Accordingly, the Committee intends that research and demonstration funds be used solely for demonstrations involving private organizations investigating the cost effectiveness to the trust funds of providing early intervention and rehabilitation for work-related disability. The Committee is particularly interested in models of service which can demonstrate substantially better results for disabled individuals than the state rehabilitation system.

The bill provides an additional \$25,000,000 to process continuing disability reviews (CDRs) related to the SSI caseload as authorized by P.L. 104-121, an increase of \$10,000,000 above the comparable fiscal year 1996 appropriation.

The bill does not provide funding for administrative activities related to welfare reform as proposed in the budget request. The Committee notes that the requested \$250,000,000 appropriation has never been authorized in law, and the Administration has not transmitted to Congress a proposal for such an authorization.

LIMITATION ON ADMINISTRATIVE EXPENSES

The bill provides a limitation on administrative expenses for the Social Security Administration (SSA) of \$6,172,311,000 to be funded from the Social Security trust funds, an increase of \$367,376,000 over the comparable fiscal year 1996 appropriation and \$99,843,000 below the budget request. The Committee notes that the request includes an additional \$250,000,000 for administrative activities related to welfare reform which are not authorized in law and for which the Administration has not submitted an authorization proposal. In addition, the request includes funding of \$100,000,000 for continuing disability reviews (CDRs) in excess of the amount authorized to be appropriated in current law.

The amount provided in the bill is sufficient to enable the Agency to fully meet defined performance targets for the improvement of service in 14 specific areas as submitted to the Committee during the fiscal year 1997 budget hearings. This large increase in funding will support continuing initiatives to streamline the disability determination process and fully automate agency administrative functions.

The Committee has provided these increases in funding despite its grave concern that the Agency failed to meet 11 of 12 performance goals for fiscal year 1995 and testified during the fiscal year

1997 budget hearings that it will likely fail to meet its performance goals for fiscal year 1996. The Committee remains concerned that the recent multi-billion investment in the automation and re-engineering processes has not been adequately linked to direct improvements in service, productivity and efficiency and has not resulted in attainment of modest performance goals. The Committee will continue to monitor the Agency's progress in meeting these goals, and future funding will be conditioned on the Agency's ability to produce measurable improvements in service and productivity.

The bill provides not less than \$1,500,000 within the limitation on administration shall be available for the Social Security Advisory Board.

Disability initiative

Funding previously provided separately for the disability re-engineering initiative is requested and provided within the regular limitation on administration for fiscal year 1997.

Automation initiative

The bill provides \$250,073,000 for the fourth year of the 5-year automation initiative, an increase of \$83,073,000 over the comparable fiscal year 1996 appropriation and \$49,927,000 below the budget request. This initiative is designed to fully automate the Social Security Administration within five years and to supply all agency personnel with ergonomically appropriate furniture according to a consent decree. The Committee reiterates its concern that the Congress's previous \$475,000,000 investment in automation activities has not produced expected improvements in service and productivity. The Committee continues to provide substantial resources for this initiative with the expectation that the Agency will fully attain the 1997 performance goals reported during the fiscal year 1997 budget hearings.

Continuing disability reviews

The bill provides an additional \$160,000,000 for continuing disability reviews (CDRs) above the base amount of \$200,000,000 provided in the regular limitation on administration. This amount represents an increase of \$100,000,000 over the fiscal year 1996 appropriation and \$100,000,000 below the budget request. The amount provided is the full amount authorized by law, and the Committee notes that the budget request, which was submitted prior to enactment of P.L. 104-121, exceeds authorized funding for CDRs by \$100,000,000. The Committee has provided this funding with the expectation that processing of additional CDRs will reduce trust fund liabilities far in excess of the cost of such processing.

Welfare reform

The bill does not provide funding for the requested \$250,000,000 administrative initiative related to welfare reform. The request for appropriations is not authorized in law, nor has the Administration proposed legislation which would authorize such appropriations. Accordingly, the bill does not include the proposed funding.

Software development

In the past, the Committee has expressed concerns about the Agency's long-term operational and service delivery systems and has urged SSA to work with an industry-based consortium with experience institutionalizing software processes and methods and dedicated to improving software productivity. The Committee is pleased to note that SSA is focusing on those concerns and urges that work proceed as expeditiously as possible.

Chronic Fatigue Syndrome

The Committee remains concerned about reports that SSA disability determination personnel lack appropriate knowledge of diagnosis and impact on functional ability of Chronic Fatigue Syndrome (CFS). The Committee directs the SSA to provide a summary of its internal CFS-related education activities conducted during the past fiscal year to the Chronic Fatigue Syndrome Interagency Coordinating Committee. The Committee further encourages SSA to investigate obstacles faced by individuals with CFS who apply for disability benefits and to maintain updated medical information throughout all levels of the application process.

OFFICE OF INSPECTOR GENERAL

The bill provides \$4,801,000 for the Office of the Inspector General, the same as the comparable fiscal year 1996 appropriation and \$1,534,000 below the budget request. The bill also provides authority to expend \$21,014,000 from the Social Security trust funds for activities conducted by the Inspector General, the same as the comparable fiscal year 1996 limitation and \$75,000 below the request. Because this office was created in 1995 and was not fully operational until 1996, the Committee has not reduced funding for this account in accord with its bill-wide policy regarding administrative activities.

UNITED STATES INSTITUTE OF PEACE

The bill provides \$11,160,000 for the United States Institute of Peace, the same as the budget request and \$321,000 below the comparable fiscal year 1996 appropriation. The Institute was created in 1984 to provide education and training, basic and applied research, and information services to promote conflict resolution.

HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

The following items are included in accordance with various requirements of the Rules of the House of Representatives:

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(l)(4), rule XI of the House of Representatives, the Committee estimates that enactment of this bill would have no overall inflationary impact on prices and costs in the operation of the national economy.

COMPARISON WITH BUDGET RESOLUTION

Section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended, requires that the report accompanying a bill providing new budget authority contain a statement detailing how the authority compares with the report submitted under section 602 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year. This information follows:

[In millions of dollars]

	Sec. 602(b)		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Discretionary:				
General purposes	65,600	69,442	65,625	69,525
Violent Crime Trust Fund	61	38	61	38
Mandatory	222,270	222,355	222,328	222,340

Note.—The amounts in this bill are technically in excess of the subcommittee section 602(b) subdivision. However, pursuant to Public Law 104-121, the Contract with America Advancement Act of 1996, increases to the Committee section 602(a) allocation, based on additional funding for Social Security Continuing Disability Reviews in reported bills, are authorized. This bill includes additional funding for such reviews. After the bill is reported to the House, the Chairman of the Committee on the Budget will provide an increased section 602(a) allocation consistent with the increased funding for continuing disability reviews in the bill. That new allocation will eliminate the technical difference prior to floor consideration.

The bill provides no new spending authority as described in section 401(c)(2) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended.

In accordance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the following information was provided to the Committee by the Congressional Budget Office:

FIVE-YEAR PROJECTIONS

In compliance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill:

		(In millions of dollars)
Budget authority in the bill	234,073	
Outlays:		
1997	206,951	
1998	33,429	
1999	6,974	
2000	854	
2001	82	

FINANCIAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(D) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the financial assistance to State and local governments is as follows:

		(In millions of dollars)
Budget authority		125,499
Fiscal year 1997 outlays resulting therefrom		105,369

TRANSFER OF FUNDS

Pursuant to clause 1(b), rule X of the House of Representatives, the following table is submitted describing the transfers of funds provided in the accompanying bill.

The table shows, by Department and agency, the appropriations affected by such transfers.

APPROPRIATION TRANSFERS RECOMMENDED IN THE BILL

Account to which transfer is to be made	Amount	Account from which transfer is to be made	Amount
Department of Health and Human Services: Administration on Aging: Aging Services Programs	\$373,000,000	Department of Labor: Employment and Training Administration: Community Service Employment for Older Americans	\$373,000,000
Employment Standards Administration: Special Benefits	(¹)	U.S. Postal Service: Postal Service fund	(¹)
Department of Labor: Employment Standards Administration: Salaries and expenses	26,071,000	Black lung disability trust fund	26,071,000
Departmental management: Salaries and expenses	19,621,000	Black lung disability trust fund	19,621,000
Office of Inspector General	287,000	Black lung disability trust fund	287,000

¹ Indefinite.

COMPLIANCE WITH RULE XIII, CL. 3 (RAMSEYER RULE)

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

SECTION 6408 OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1989

SEC. 6408. OTHER MEDICAID PROVISIONS.

(a) INSTITUTIONS FOR MENTAL DISEASES.—

(1) * * *

* * * * *

(3) MORATORIUM ON TREATMENT OF CERTAIN FACILITIES.—

Any determination by the Secretary that Kent Community Hospital Complex in Michigan or Saginaw Community Hospital in Michigan is an institution for mental diseases, for purposes of title XIX of the Social Security Act shall not take effect until **[December 31, 1995]** *December 31, 2000, or the first day of the first quarter on which the Medicaid plan for the State of Michigan is effective under title XIX of such Act.*

* * * * *

SECTION 320 OF THE PUBLIC HEALTH SERVICE ACT

HANSEN'S DISEASE PROGRAM

[Sec. 320. (a) The Secretary—

[(1) shall provide care and treatment (including outpatient care) without charge at the Gillis W. Long Hansen's Disease Center in Carville, Louisiana, to any person suffering from Hansen's disease who needs and requests care and treatment for that disease; and

[(2) may provide for the care and treatment (including outpatient care) of Hansen's disease without charge for any person who requests such care and treatment.

[(b) The Secretary shall make payments to the Board of Health of Hawaii for the care and treatment (including outpatient care) in its facilities of persons suffering from Hansen's disease at a rate, determined from time to time by the Secretary, which shall, subject to the availability of appropriations, be approximately equal to the operating cost per patient of those facilities, except that the rate determined by the Secretary shall not be greater than the comparable operating cost per Hansen's disease patient at the Gillis W. Long Hansen's Disease Center in Carville, Louisiana.]

SEC. 320. (a)(1) At the Gillis W. Long Hansen's Disease Center (located in the State of Louisiana), the Secretary shall without charge provide short-term care and treatment, including outpatient care, for Hansen's disease and related complications to any person determined by the Secretary to be in need of such care and treatment.

(2) The Center referred to in paragraph (1) shall conduct training in the diagnosis and management of Hansen's disease and conduct and promote the coordination of research, investigations, demonstrations, and studies relating to the causes, diagnosis, treatment, control, and prevention of Hansen's disease and the complications of such disease.

(3) Paragraph (1) is subject to section 213 of the Department of Health and Humans Services Appropriations Act, 1997.

(b) In addition to the Center referred to in subsection (a), the Secretary may establish sites regarding persons with Hansen's disease. Each such site shall provide for the outpatient care and treatment for Hansen's disease to any person determined by the Secretary to be in need of such care and treatment.

(c) The Secretary shall make payments to the Board of Health of the State of Hawaii for the care and treatment (including outpatient care) in its facilities of persons suffering from Hansen's disease at a rate determined by the Secretary. The rate shall be approximately equal to the operating cost per patient of such facilities, except that the rate may not exceed the comparable costs per patient with Hansen's disease for care and treatment provided by the Center referred to in subsection (a). Payments under this subsection are subject to the availability of appropriations for such purposes.

CHANGES IN APPLICATION OF EXISTING LAW

Pursuant to clause 3, rule XXI of the House of Representatives, the following statements are submitted describing the effect of pro-

visions in the accompanying bill which may directly or indirectly change the application of existing law.

In some instances the bill includes appropriations for certain ongoing programs which are not yet authorized for fiscal year 1997.

The bill provides that appropriations shall remain available for more than one year for some programs for which the basic authorizing legislation does not presently authorize such extended availability.

In various places in the bill, the Committee has earmarked funds within appropriation accounts in order to fund specific sections of a law. Whether these actions constitute a change in the application of existing law is subject to individual interpretation, but the Committee felt that this fact should be mentioned.

On page 3-4 of the bill is language waiving certain provisions of sections 314 and 315 of the Job Training Partnership Act; language permitting local service delivery areas to transfer funds between certain titles of the Job Training Partnership Act, with approval of the Governor; and language providing that proceeds from the sale of Job Corps center facilities shall be retained by the Secretary of Labor to carry out the Job Corps program.

On page 6 is language allowing the use of funds for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980 and language allowing the use of funds for contracts with non-State entities for occupational and test research activities which benefit the Employment Service system.

On page 7 of the bill is language allowing the Labor Department to withhold from State allotments funds available for penalty mail under the Wagner-Peyser Act.

On page 7 is language providing that funds in this Act for one-stop career centers may be used for contracts, grants or agreements with non-State entities.

On page 7 is language providing that funds in this Act may be used by the States for integrated Employment Service and Unemployment Insurance automation efforts.

On page 10 is language authorizing the Secretary of Labor to accept and spend all sums of money ordered to be paid to the Secretary, in accordance with the terms of a Consent Judgment in U.S. District Court for the Northern Mariana Islands.

On page 10 is language authorizing the Secretary of Labor to collect user fees for processing certain applications and issuing certain certificates and registrations under the Fair Labor Standards Act and the Migrant and Seasonal Agricultural Worker Protection Act.

On page 11 of the bill is language providing funds may be used under the Federal Employees' Compensation Act in which the Secretary of Labor may reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary.

On page 11 is language allowing the Secretary of Labor to transfer certain administrative funds from the Postal Service fund and certain other government corporations and agencies related to the administration of the Federal Employees' Compensation Act.

On page 12 of the bill is language allowing the Secretary of Labor to require any person filing a claim for benefits under the

Federal Employees' Compensation Act or the Longshore and Harbor Workers' Compensation Act to provide such identifying information as the Secretary may require, including a Social Security number.

On page 13–14 is language establishing a maximum amount available for grants to States under the Occupational Safety and Health Act, which grants shall be no less than 50 percent of the costs of State programs required to be incurred under plans approved by the Secretary under section 18 of the Act.

On page 14, is language authorizing the Occupational Safety and Health Administration to retain and spend up to \$750,000 of training institute course tuition fees for training and education grants.

On page 16 is language allowing the Mine Safety and Health Administration to purchase and bestow certificates and trophies in connection with mine rescue and first-aid work; to accept lands, buildings, equipment, and other contributions from public and private sources; to prosecute projects in cooperation with other agencies, Federal, State, or private; and to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations.

On page 16 of the bill is language allowing the Secretary of Labor to use any funds available to the Department to provide for the costs of mine rescue and survival operations in the event of major disasters.

On page 20 is language stating that section 427(c) of the Job Training Partnership Act may be waived if a Job Corps center fails to meet the national performance standards.

On page 20 is language providing that no funds may be disbursed by the Labor Department without the approval of the Department's Chief Financial Officer or his delegatee.

On page 20 is language modifying the enforcement of the child labor provisions of the Fair Labor Standards Act with respect to the loading of paper balers by employees who are 16 and 17 years of age.

On page 22 is language that prohibits the Wage and Hour Division from enforcing current rules concerning driving of vehicles on the job by persons under 18, unless the Secretary finds that driving is the person's primary duty.

On page 23 is language providing that the Division of Federal Occupational Health may utilize personal services contracting in certain instances.

On page 23 is language providing that in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act.

On page 23 is language providing that all pregnancy counseling under the family planning program shall be nondirective.

On page 24 is language providing that funds for State AIDS Drug Assistance Programs shall be distributed to States as authorized by section 2618(b)(2) of the Public Health Service Act.

On page 25 is language permitting the Centers for Disease Control and Prevention to insure official motor vehicles in foreign countries.

On page 26 is language providing that collections from user fees may be credited to the Centers for Disease Control and Prevention appropriation.

On page 26 is language making amounts under section 241 of the Public Health Service Act available to carry out the National Center for Health Statistics surveys.

On page 30 is language providing that the National Library of Medicine may enter into certain personal services contracts.

On page 31 is language providing that the National Institutes of Health is authorized to collect third party payments for the cost of the clinical services that are incurred in NIH research facilities and that such payments shall be credited to the NIH Management Fund and shall remain available for one fiscal year after they are deposited.

On pages 31–32 is language providing that a single contract or related contracts for the development and construction of the NIH clinical research center may be employed which collectively include the full scope of the project and that the solicitation and contract shall contain the clause “availability of funds” found at 48 CFR 52.232–18.

On page 33 of the bill, language is included to permit the Agency for Health Care Policy and Research to retain and expend amounts received from Freedom of Information Act fees, reimbursable and interagency agreements and the sale of data tapes.

On page 34 of the bill is a provision that in the administration of title XIX of the Social Security Act, payments to a state for any quarter may be made with respect to a State plan or plan amendment in effect during any such quarter, if submitted in, or prior to, such quarter and approved in that or any such subsequent quarter.

On page 34 of the bill is a provision that all funds collected in accordance with section 353 of the Public Health Service Act, together with such sums as may be collected from authorized user fees and the sale of data, shall be available for expenditure by the Health Care Financing Administration.

On page 35 is language allowing fees charged in accordance with 31 U.S.C. 9701 to be credited to the Health Care Financing Administration administrative account.

On page 36 is language providing that funds appropriated pursuant to section 414(a) of the Immigration and Nationality Act for fiscal year 1995 shall be available for the costs of assistance provided and other activities conducted in such year and in fiscal years 1996 and 1997.

On page 37 is language providing that notwithstanding section 2003(c) of the Social Security Act, the amount specified for allocation under such section for fiscal year 1997 shall be \$2,480,000,000.

On page 38 is language providing that unexpended Community Services Block Grant funds may be carried over to the next fiscal year by local grantees.

On page 39 is language providing that funds appropriated under title XVII of the Public Health Service Act shall be used for extramural construction.

The bill includes language providing that the Inspectors General of the Departments of Health and Human Services and Education may utilize funds received from the forfeiture of property in investigations in which their Offices participated, and which are transferred to them by the Department of Justice, the Department of the Treasury, or the United States Postal Service.

The bill includes language providing that funds may be used by the Department of Education to obtain certain data from the Census Bureau.

The bill includes language providing a hold-harmless for State allocations under certain Department of Education programs.

The bill includes language providing that immigrant education funds may be allocated by States for competitive grants to local school districts and language providing that bilingual education funds should only be used to support instructional programs which ensure that students master English in a timely fashion.

The bill includes language providing that the National Technical Institute for the Deaf and Gallaudet University may use funds for their endowment programs at their discretion.

The bill includes language providing that no State shall be required to operate a State Council under section 112(f) of the Carl D. Perkins Vocational and Applied Technology Education Act.

The bill includes language providing that the maximum Pell grant a student may receive in the 1997–98 academic year shall be \$2,500.

The bill includes language providing that notwithstanding section 401(g) of the Higher Education Act of 1965, if the Secretary determines, prior to publication of the payment schedule for award year 1997–1998, that the funds included within this appropriation for Pell Grant awards for award year 1997–1998, and any funds available from the FY 1996 appropriation for Pell Grant awards, are insufficient to satisfy fully all such awards for which students are eligible, as calculated under section 401(b) of the Act, the amount paid for each such award shall be reduced by either a fixed or variable percentage, or by a fixed dollar amount, as determined in accordance with a schedule of reductions established by the Secretary for this purpose.

The bill includes language providing that funds provided herein for carrying out title III shall be available without regard to section 360(a)(1)(B)(ii) of the Higher Education Act of 1965.

The bill includes language providing that funds available for part D of title IX of the Higher Education Act shall be available to fund noncompeting continuation awards for academic year 1997–1998 for fellowships awarded originally under parts B and C of title IX of said Act, under the terms and conditions of parts B and C, respectively.

The bill includes language providing that Howard University may at its discretion use funds for the endowment program as authorized by the Howard University Endowment Act.

The bill includes language specifying that any unobligated balances remaining from fixed fees previously paid into the college housing loans account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating expenses of that account.

Section 304 of the bill limits administrative costs for the direct student loan program to \$420 million in FY 1997. The section requires the Department of Education to use at least \$114 million for payment of administrative cost allowances to guaranty agencies. It also prohibits the Secretary of Education from using funds available for subsequent years during FY 1997.

The bill includes language specifying that notwithstanding 31 U.S.C. 3302, fees charged by the Federal Mediation and Conciliation Service, up to full-cost recovery, for special training activities and for arbitration services shall be credited to and merged with its administrative account, and shall remain available until expended; that fees for arbitration services shall be available only for education, training, and professional development of the agency workforce; and that the Director of the Service is authorized to accept on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.

The bill includes a provision requiring that appropriations to the NLRB shall not be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways, when maintained or operated on a mutual non-profit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

The bill includes language providing that reimbursement for the carrying out of sections 9704 and 9706 of the Internal Revenue Code of 1986 to the Social Security Trust Fund shall be made, with interest, by September 30, 1998.

The bill includes language providing that the total amount provided for railroad retirement dual benefits shall be credited to the Dual Benefits Payments Account in 12 approximately equal amounts on the first day of each month in the fiscal year.

The bill includes language providing that the Railroad Retirement Board shall determine the allocation of its administrative budget between the railroad retirement accounts and the railroad unemployment insurance administration fund.

Sections 201, 202, 206, 207, 210, 301, 302, and 501, 502, 504, 505, 506, 507, 509 and 512 of the bill are general provisions, most of which have been carried in previous appropriations acts, which place limitations on the use of funds in the bill or authorize certain activities, and which might, under some circumstances, be construed as changing the application of existing law.

Section 212 is a general provision extending a moratorium in current law with respect to certain hospitals in the State of Michigan.

Section 213 is a general provision that enables the transfer of the Gillis W. Long Hansen's Disease Center to the State of Louisiana to be used for health and education purposes consistent with the mission of the Department of Health and Human Services.

Section 214 is a general provision that requires the Secretary of Health and Human Services to submit a report within 180 days documenting the impact of the family planning program in several categories and the extent to which it has reduced expenditures on Medicaid and welfare programs and clarifies the fees required to be paid by individuals according to their income.

Definition of program, project and activity

During fiscal year 1997 for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended, the following information provides the definition of the term “program, project, and activity” for departments and agencies under the jurisdiction of the Labor, Health and Human Services, and Education and Related Agencies Subcommittee. The term “program, project, and activity” shall include the most specific level of budget items identified in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997, the accompanying House and Senate Committee reports, the conference report and accompanying joint explanatory statement of the managers of the committee of conference.

APPROPRIATIONS NOT AUTHORIZED BY LAW

The Committee increasingly is concerned by the growing list of unauthorized programs within the jurisdiction of the Subcommittee on Labor, Health and Human Services and Education and Related Agencies. Presently, eighteen months into the 104th Congress, there are 96 programs within the Subcommittee’s jurisdiction unauthorized. Total funding for these programs was \$11,285,189,000 in fiscal year 1996. Failure to have these programs reauthorized is, of course, inconsistent with the intent of House rules. It also creates difficulties as Committees of jurisdiction come to the Appropriations Committee requesting current level funding or increases for bills that are only in the earliest stages of the legislative process. Passage of these major bills late in the session will create even greater difficulty as the Committee must reformat bills in conference. The Committee reiterates its longstanding position that it cannot continue to fund increasingly large portions of its bill that remain unauthorized.

Pursuant to clause 3 of rule XXI of the House of Representatives, the following table lists the appropriations in the accompanying bill which are not authorized by law:

TITLE I—DEPARTMENT OF LABOR

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

PUBLIC HEALTH SERVICE

Health Resources and Services Administration
 Community Health Centers
 Migrant Health Centers
 Health Care for the Homeless

Health Care for Residents of Public Housing
 Health Professions
 Grants to Communities—H.P. Scholarships
 Nursing Loan Repayment
 Health Professions Data Systems
 Center of Excellence
 Health Careers Opportunity Program
 Exceptional Financial Need Scholarships
 Loan Repayment/Fellowship-Faculty
 Financial Assistance for Disadvantaged H.P. Students
 Scholarships for Disadvantaged Students
 Family Medicine Programs
 General Internal Medicine and Pediatrics
 Physician Assistant Training
 Public Health/Preventive Medicine
 Health Administration Programs
 Area Health Education Centers
 Border Health
 General Dentistry Training
 Allied Health Special Projects
 Geriatric Programs
 Rural Health Interdisciplinary Training
 Podiatric Medicine/Training
 Chiropractic Demonstration Project
 Advanced Nurse Education
 Nurse Practitioner/Midwives
 Nursing Special Projects
 Nurse Disadvantaged Assistance
 Professional Nurse Traineeships
 Nurse Anesthetist Training
 Organ Transplantation
 Health Teaching Facilities Interest Subsidies
 Bone Marrow Donor Registry program
 Alzheimer's Demonstration Grants
 Family Planning
 Health Education Assistance Loan (HEAL) Loan Limitation
 Vaccine Injury Compensation Program—HRSA Admin. (Trust Fund)
 Centers for Disease Control and Prevention
 Childhood Immunization
 Sexually Transmitted Diseases
 Preventable Infertility
 Substance Abuse and Mental Health Services Administration
 Mental Health: Knowledge, Development and Application
 Mental Health Performance Partnership
 Children's Mental Health
 Protection and Advocacy
 Substance Abuse Treatment: Knowledge, Development and Application
 Substance Abuse Performance Partnership
 Substance Abuse Prevention: Knowledge, Development and Application
 Agency for Health Care Policy and Research

ADMINISTRATION FOR CHILDREN AND FAMILIES

Child Care and Development Block Grant
 Runaway and Homeless Youth Program
 Runaway—Transitional Living Program
 Child Abuse State Grants
 Child Abuse Discretionary Activities
 Abandoned Infants Assistance
 Adoption Opportunities
 Developmental Disabilities State Grants
 Developmental Disabilities Protection and Advocacy
 Developmental Disabilities University Affiliated Programs
 Native American Programs

ADMINISTRATION ON AGING

Grants to States
 Supportive Services and Centers
 Nutrition
 Congregate Meals
 Home-delivered Meals
 Frail Elderly In-Home Services
 Grants to Indians
 Program Administration

OFFICE OF THE SECRETARY

Adolescent Family Life
 Office of Minority Health

TITLE III—DEPARTMENT OF EDUCATION

SPECIAL EDUCATION

State Grants
 Grants to States
 Preschool Grants
 Grants for Infants and Families
 Special Purpose Funds
 Deaf-blindness
 Serious Emotional Disturbance
 Severe Disabilities
 Early Childhood Education
 Secondary and Transitional Services
 Postsecondary Education
 Innovation and Development
 Media and Captioning Services
 Technology Applications
 Special Studies
 Personnel Development
 Parent Training
 Clearinghouses
 Regional Resource Centers

VOCATIONAL AND ADULT EDUCATION

Vocational Education
 Basic State Grants

Tech-Prep Education
Tribally Controlled Postsecondary Vocational Institutions
Adult Education
State Programs
National Institute for Literacy

LIBRARIES

Public Libraries
Services
Interlibrary Cooperation

TITLE IV—RELATED AGENCIES

Armed Forces Retirement Home
Corporation for National and Community Service
Corporation for Public Broadcasting

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 2(1)(2)(b) of rule XI of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 1

Date: June 20, 1996.

Measure: Fiscal Year 1997 Labor, Health and Human Services, Education Appropriations Bill.

Motion by: Mr. Obey.

Description of Motion: To amend the Porter amendment by increasing the cap on direct student loan administration expenses by \$20 million.

Results: Rejected 18 yeas to 28 nays.

Members Voting Yea

Mr. Bevill
Mr. Coleman
Mr. Dicks
Mr. Durbin
Mr. Fazio
Mr. Foglietta
Mr. Hefner
Mr. Hoyer
Mrs. Lowey
Mr. Obey
Ms. Pelosi
Mr. Sabo
Mr. Serrano
Mr. Skaggs
Mr. Stokes
Mr. Torres
Mr. Viscloskey
Mr. Yates

Members Voting Nay

Mr. Bonilla
Mr. Bunn
Mr. Callahan
Mr. DeLay
Mr. Dickey
Mr. Forbes
Mr. Frelinghuysen
Mr. Hobson
Mr. Istook
Mr. Kingston
Mr. Knollenberg
Mr. Kolbe
Mr. Lewis
Mr. Lightfoot
Mr. Livingston
Mr. Miller
Mr. Myers
Mr. Nethercutt
Mr. Neumann
Mr. Packard
Mr. Parker
Mr. Porter
Mr. Skeen
Mrs. Vucanovich
Mr. Walsh
Mr. Wicker
Mr. Wolf
Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 2(1)(2)(b) of rule XI of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 2

Date: June 25, 1996.

Measure: Fiscal Year 1997 Labor, Health and Human Services, Education Appropriations Bill.

Motion by: Mr. Porter.

Description of Motion: To amend the Livingston amendment by imposing income guidelines of persons served by the family planning programs and requiring the Secretary of HHS to submit an evaluation of the program within 180 days.

Results: Adopted 29 yeas to 21 nays.

Members Voting Yea

Mr. Chapman
Mr. Dicks
Mr. Dixon
Mr. Durbin
Mr. Fazio
Mr. Foglietta
Mr. Frelinghuysen
Mr. Hefner
Mr. Hobson
Mr. Hoyer
Ms. Kaptur
Mr. Lewis
Mrs. Lowey
Mr. Miller
Mr. Nethercutt
Mr. Obey
Ms. Pelosi
Mr. Porter
Mr. Regula
Mr. Riggs
Mr. Sabo
Mr. Serrano
Mr. Skaggs
Mr. Skeen
Mr. Stokes
Mr. Thornton
Mr. Torres
Mr. Wilson
Mr. Yates

Members Voting Nay

Mr. Bunn
Mr. Callahan
Mr. DeLay
Mr. Dickey
Mr. Forbes
Mr. Istook
Mr. Kingston
Mr. Knollenberg
Mr. Lightfoot
Mr. Livingston
Mr. Mollohan
Mr. Murtha
Mr. Neumann
Mr. Packard
Mr. Parker
Mr. Rogers
Mr. Taylor
Mrs. Vucanovich
Mr. Walsh
Mr. Wicker
Mr. Wolf

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 2(1)(2)(b) of rule XI of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 3

Date: June 25, 1996.

Measure: Fiscal Year 1997 Labor, Health and Human Services, Education Appropriations Bill.

Motion by: Mr. Torres.

Description of Motion: To strike section 514 of the bill and substitute a new section prohibiting use of funds for benefits or assistance in violation of Federal law or regulation, prohibiting officials from inducing illegal aliens to apply for Federal benefits for which they are not eligible, and requiring that each State or entity administering a program under which verification of immigration status participate in the verification system established by the INS.

Results: Rejected 23 yeas to 24 nays.

Members Voting Yea

Mr. Bunn
Mr. Chapman
Mr. Dixon
Mr. Durbin
Mr. Fazio
Mr. Foglietta
Mr. Forbes
Mr. Frelinghuysen
Mr. Hefner
Mr. Hoyer
Mr. Kaptur
Mr. Lowey
Mr. Mollohan
Mr. Murtha
Mr. Obey
Mr. Pelosi
Mr. Sabo
Mr. Serrano
Mr. Skaggs
Mr. Stokes
Mr. Torres
Mr. Wilson
Mr. Yates

Members Voting Nay

Mr. Bonilla
Mr. Callahan
Mr. DeLay
Mr. Dickey
Mr. Istook
Mr. Kingston
Mr. Knollenberg
Mr. Lightfoot
Mr. Livingston
Mr. Miller
Mr. Nethercutt
Mr. Neumann
Mr. Packard
Mr. Parker
Mr. Porter
Mr. Regula
Mr. Riggs
Mr. Rogers
Mr. Skeen
Mr. Taylor
Mr. Vucanovich
Mr. Walsh
Mr. Wicker
Mr. Wolf

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 2(1)(2)(b) of rule XI of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 4

Date: June 25, 1996.

Measure: Fiscal Year 1997 Labor, Health and Human Services, Education Appropriations Bill.

Motion by: Mr. Dickey.

Description of Motion: To prohibit the use of Federal funds for human embryo research.

Results: Adopted 25 yeas to 20 nays; 2 percent.

Members Voting Yea

Mr. Bunn
Mr. Callahan
Mr. DeLay
Mr. Dickey
Mr. Forbes
Mr. Hobson
Mr. Istook
Mr. Kingston
Mr. Knollenberg
Mr. Lightfoot
Mr. Livingston
Mr. Mollohan
Mr. Murtha
Mr. Nethercutt
Mr. Neumann
Mr. Packard
Mr. Parker
Mr. Regula
Mr. Rogers
Mr. Skeen
Mr. Taylor
Mr. Vucanovich
Mr. Walsh
Mr. Wicker
Mr. Wolf

Members Voting Nay

Mr. Dicks
Mr. Dixon
Mr. Durbin
Mr. Fazio
Mr. Foglietta
Mr. Frelinghuysen
Mr. Hefner
Mr. Hoyer
Mr. Lowey
Mr. Obey
Mr. Pelosi
Mr. Porter
Mr. Riggs
Mr. Sabo
Mr. Serrano
Mr. Skaggs
Mr. Stokes
Mr. Thornton
Mr. Wilson
Mr. Yates

Members Voting Present

Ms. Kaptur
Mr. Lewis

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 2(1)(2)(b) of rule XI of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 5

Date: June 25, 1996.

Measure: Fiscal Year 1997 Labor, Health and Human Services, Education, Appropriations Bill.

Motion by: Mr. Lewis (CA).

Description of Motion: To report the bill and to move to disagree with the Senate amendments and to go to conference with the Senate.

Results: Adopted 27 yeas to 17 nays.

Members Voting Yea

Mr. Bonilla
Mr. Bunn
Mr. DeLay
Mr. Dickey
Mr. Forbes
Mr. Frelinghuysen
Mr. Hobson
Mr. Istook
Mr. Kingston
Mr. Knollenberg
Mr. Kolbe
Mr. Lewis
Mr. Lightfoot
Mr. Livingston
Mr. Miller
Mr. Nethercutt
Mr. Neumann
Mr. Packard
Mr. Parker
Mr. Porter
Mr. Riggs
Mr. Rogers
Mr. Skeen
Mrs. Vucanovich
Mr. Wicker
Mr. Wolf

Members Voting Nay

Mr. Dixon
Mr. Durbin
Mr. Foglietta
Mr. Hefner
Mr. Hoyer
Ms. Kaptur
Mrs. Lowey
Mr. Murtha
Mr. Obey
Ms. Pelosi
Mr. Sabo
Mr. Serrano
Mr. Skaggs
Mr. Stokes
Mr. Thornton
Mr. Visclosky
Mr. Yates

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
TITLE I - DEPARTMENT OF LABOR					
EMPLOYMENT AND TRAINING ADMINISTRATION					
TRAINING AND EMPLOYMENT SERVICES 1/					
Grants to States:					
Adult training	850,000	947,000	850,000	.....	-97,000
Youth training	126,672	126,672	126,672	.....	.....
Summer youth employment and training program 2/	625,000	871,000	625,000	.....	-246,000
Dislocated worker assistance:					
Forward funding	1,097,500	1,293,000	1,100,000	+ 2,500	-193,000
Current funding 2/	2,500	.....	.....	-2,500	.....
Subtotal	1,100,000	1,293,000	1,100,000	.....	-193,000
Federally administered programs:					
Native Americans	52,502	50,000	50,000	-2,502	.....
Migrants and seasonal farmworkers	69,285	65,000	65,000	-4,285	.....

1/ Forward funded except where noted.

2/ Current funded.

Job Corps:						
Operations	972,475	1,064,824	1,064,824	+ 92,349		.....
Construction and renovation 1/	121,467	88,685	73,861	-47,606		-14,824
Subtotal, Job Corps	1,093,942	1,153,509	1,138,685	+ 44,743		-14,824
Veterans' employment	7,300	7,300	7,300			.....
National activities:						
Pilots and demonstrations	27,140	23,717	15,000	-12,140		-8,717
Research, demonstration and evaluation	6,196	10,196	6,196			-4,000
Opportunity areas for youth		250,000				-250,000
Jobs for residents		50,000				-50,000
Incumbent worker demonstrations		15,000				-15,000
Other	13,489	8,019	8,019	-5,470		.....
Subtotal, National activities	46,825	356,932	29,215	-17,610		-327,717
Subtotal, Federal activities	1,269,854	1,632,741	1,290,200	+ 20,346		-342,541
Total, Job Training Partnership Act	3,971,526	4,870,413	3,991,872	+ 20,346		-878,541

1/ 3 year availability.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**

[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Glass Ceiling Commission 1/	142	.....	.....	-142	.....
Women in apprenticeship 1/	610	647	610	.....	-37
Skills Standards.....	4,000	9,000	4,000	.....	-5,000
Total, National activities, TES (non-add).....	(51,577)	(366,579)	(33,825)	(-17,752)	(-332,754)
School-to-work 2/.....	170,000	200,000	175,000	+ 5,000	-25,000
Total, Training and Employment Services	4,146,278	5,080,060	4,171,482	+25,204	-908,578
Subtotal, forward funded.....	(3,518,026)	(4,208,413)	(3,545,872)	(+27,846)	(-662,541)
COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS 3/.....	373,000	350,000	373,000	.....	+23,000
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES					
Trade adjustment	279,600	276,100	276,100	-3,500	.....
NAFTA activities.....	66,500	48,400	48,400	-18,100	.....
Total.....	346,100	324,500	324,500	-21,600	.....

1/ Current funded.

2/ 15-month availability.

3/ Request proposes transfer of these funds to the Administration on Aging in the Dept of HHS.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS					
Unemployment Compensation (Trust Funds):					
State Operations	(2,080,520)	(2,224,974)	(2,076,735)	(-3,785)	(-148,239)
National Activities	(10,000)	(10,000)	(8,500)	(-1,500)	(-1,500)
Contingency	(216,333)	(260,573)	(260,573)	(+44,240)	.....
Contingency bill language (OMB estimate) .....	.....	(67,800)	.....	.....	(-67,800)
Portion treated as budget authority .....	.....	(67,800)	.....	.....	(-67,800)
Subtotal, Unemployment Comp (trust funds)	(2,306,853)	(2,563,347)	(2,345,808)	(+38,955)	(-217,539)
Employment Service:					
Allotments to States:					
Federal funds	23,452	24,085	22,279	-1,173	-1,806
Trust funds	(738,283)	(758,217)	(701,369)	(-36,914)	(-56,848)
Subtotal	761,735	782,302	723,648	-38,087	-58,654
National Activities:					
Federal funds	1,876	1,927	.....	-1,876	-1,927
Trust funds	(57,058)	(63,949)	(48,934)	(-8,124)	(-15,015)
Subtotal, Emp. Serv., National Activities	58,934	65,876	48,934	-10,000	-16,942
Subtotal, Employment Service	820,669	848,178	772,582	-48,087	-75,596
Federal funds	25,328	26,012	22,279	-3,049	-3,733
Trust funds	(795,341)	(822,166)	(750,303)	(-45,038)	(-71,863)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
One-stop Career Centers	110,000	150,000	110,000	.....	-40,000
Total, State Unemployment	3,237,522	3,561,525	3,228,390	-9,132	-333,135
Federal Funds	135,328	176,012	132,279	-3,049	-43,733
Trust Funds	(3,102,194)	(3,385,513)	(3,096,111)	(-6,083)	(-289,402)
ADVANCES TO UNEMPLOYMENT TRUST FUND & OTHER FUNDS 1/.....	369,000	373,000	373,000	+4,000	.....
ADVANCES TO THE ESA ACCOUNT OF THE UNEMPLOYMENT TRUST FUND	(-56,300)	.....	.....	(+56,300)	.....
PAYMENTS TO UI TRUST FUND AND OTHER FUNDS	(-266,000)	.....	.....	(+266,000)	.....

1/ 2 year availability.

PROGRAM ADMINISTRATION					
Adult employment and training	25,619	26,091	25,107	-512	-984
Trust funds	(2,283)	(2,354)	(2,237)	(-46)	(-117)
Youth employment and training	29,441	29,990	28,852	-589	-1,138
Employment security	6,057	6,323	5,936	-121	-387
Trust funds	(37,167)	(37,274)	(36,424)	(-743)	(-850)
Apprenticeship services	16,129	16,689	15,806	-323	-883
Executive direction	5,808	5,614	5,692	-116	+78
Trust funds	(1,343)	(1,346)	(1,316)	(-27)	(-30)
Total, Program Administration	123,847	125,681	121,370	-2,477	-4,311
Federal funds	83,054	84,707	81,393	-1,661	-3,314
Trust funds	(40,793)	(40,974)	(39,977)	(-816)	(-997)
Total, Employment & Training Administration	8,595,747	9,814,766	8,591,742	-4,005	-1,223,024
Federal funds	5,452,760	6,388,279	5,455,654	+2,894	-932,625
Trust funds	(3,142,987)	(3,426,487)	(3,136,088)	(-6,899)	(-290,399)
PENSION AND WELFARE BENEFITS					
ADMINISTRATION					
SALARIES AND EXPENSES 1/					
Enforcement and compliance	51,712	67,430	50,678	-1,034	-16,752
Policy, regulation and public service	11,831	14,261	11,594	-237	-2,667
Program oversight	3,583	3,758	3,511	-72	-247
Total, PWBA	67,126	85,449	65,783	-1,343	-19,666

1/ Budget requests \$9 million to remain available through Sept. 30, 1998.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
PENSION BENEFIT GUARANTY CORPORATION					
Program Administration subject to limitation (Trust Funds).....	(10,557)	(12,043)	(135,720)	(+ 125,163)	(+ 123,677)
Services related to terminations not subject to limitations (non-add).....	(127,933)	(128,496)	.....	(-127,933)	(-128,496)
Total, PBGC.....	(138,490)	(140,539)	(135,720)	(-2,770)	(-4,819)
EMPLOYMENT STANDARDS ADMINISTRATION					
SALARIES AND EXPENSES					
Enforcement of wage and hour standards.....	99,751	118,704	97,756	-1,995	-20,948
Office of Labor-Management Standards.....	23,992	29,084	23,512	-480	-5,572
Federal contractor EEO standards enforcement.....	56,171	65,460	55,048	-1,123	-10,412
Federal programs for workers' compensation.....	73,159	80,222	71,696	-1,463	-8,526
Trust funds.....	(1,003)	(1,057)	(983)	(-20)	(-74)
Program direction and support.....	10,622	11,386	10,410	-212	-976
Total, salaries and expenses.....	264,698	305,913	259,405	-5,293	-46,508
Federal funds.....	263,695	304,856	258,422	-5,273	-46,434
Trust funds.....	(1,003)	(1,057)	(983)	(-20)	(-74)

SPECIAL BENEFITS					
Federal employees compensation benefits.....	214,000	209,000	209,000	-5,000	.....
Longshore and harbor workers' benefits.....	4,000	4,000	4,000	.....	.....
Total, Special Benefits	218,000	213,000	213,000	-5,000	.....
BLACK LUNG DISABILITY TRUST FUND					
Benefit payments and interest on advances	949,494	961,665	961,665	+ 12,171	.....
Employment Standards Admin., salaries & expenses.....	27,193	26,071	26,071	-1,122	.....
Departmental Management, salaries and expenses	19,621	19,621	19,621	.....	.....
Departmental Management, inspector general	298	287	287	-11	.....
Subtotal, Black Lung Disability Trust Fund, apprm	996,606	1,007,644	1,007,644	+ 11,038	.....
Treasury administrative costs (indefinite).....	756	356	356	-400	.....
Total, Black Lung Disability Trust Fund	997,362	1,008,000	1,008,000	+ 10,638	.....
Total, Employment Standards Administration	1,480,060	1,526,913	1,480,405	+ 345	-46,508
Federal funds	1,479,057	1,525,856	1,479,422	+ 365	-46,434
Trust funds	(1,003)	(1,057)	(983)	(-20)	(-74)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION					
SALARIES AND EXPENSES					
Safety and health standards.....	8,374	18,066	8,207	-167	-9,859
Enforcement:					
Federal Enforcement.....	120,890	122,386	117,125	-3,765	-5,261
State programs	68,295	73,315	66,929	-1,366	-6,386
Technical Support	17,815	20,445	17,459	-356	-2,986
Compliance Assistance:					
Federal Assistance	34,822	51,970	34,822	.....	-17,148
State Consultation Grants	32,479	33,064	32,479	.....	-585
Safety and health statistics	14,465	14,647	14,176	-289	-471
Executive direction and administration	6,670	6,958	6,537	-133	-421
Total, OSHA	303,810	340,851	297,734	-6,076	-43,117

MINE SAFETY AND HEALTH ADMINISTRATION					
SALARIES AND EXPENSES					
Enforcement:					
Coal	106,090	108,723	103,968	-2,122	-4,755
Metal/nonmetal	41,412	44,997	40,584	-828	-4,413
Standards development	1,008	1,303	988	-20	-315
Assessments	3,497	3,840	3,427	-70	-413
Educational policy and development	14,782	14,800	14,486	-296	-314
Technical support	21,268	21,950	20,843	-425	-1,107
Program administration	7,667	8,569	7,514	-153	-1,055
Total, Mine Safety and Health Administration	195,724	204,182	191,810	-3,914	-12,372
BUREAU OF LABOR STATISTICS					
SALARIES AND EXPENSES					
Employment and Unemployment Statistics	97,155	111,426	97,624	+469	-13,802
Labor Market Information (Trust Funds)	(51,278)	(52,053)	(52,053)	(+ 775)	.....
Prices and cost of living	96,322	101,825	98,107	+1,785	-3,718
Compensation and working conditions	53,444	55,617	56,834	+3,390	+1,217
Productivity and technology	6,974	7,263	7,180	+206	-83
Economic growth and employment projections	4,451	4,640	4,582	+131	-58
Executive direction and staff services	21,896	23,462	22,475	+579	-987
Consumer Price Index Revision 1/	11,549	16,145	16,145	+4,596	.....
Total, Bureau of Labor Statistics	343,069	372,431	355,000	+11,931	-17,431
Federal Funds	291,791	320,378	302,947	+11,156	-17,431
Trust Funds	(51,278)	(52,053)	(52,053)	(+ 775)	.....

1/ 2 year availability.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
DEPARTMENTAL MANAGEMENT					
SALARIES AND EXPENSES					
Executive direction.....	18,641	19,368	20,268	+1,627	+900
Legal services.....	58,072	61,510	56,911	-1,161	-4,599
Trust funds.....	(303)	(303)	(297)	(-6)	(-6)
International labor affairs.....	9,900	9,465	6,000	-3,900	-3,465
Administration and management.....	13,904	13,916	13,626	-278	-290
Adjudication.....	20,500	20,895	20,090	-410	-805
Promoting employment of people with disabilities.....	4,358	4,389	4,271	-87	-118
Women's Bureau.....	7,743	7,751	7,588	-155	-163
Civil Rights Activities.....	4,535	4,541	4,444	-91	-97
Chief Financial Officer.....	4,394	4,399	4,306	-88	-93
Total, Salaries and expenses.....	142,350	146,537	137,801	-4,549	-8,736
Federal funds.....	142,047	146,234	137,504	-4,543	-8,730
Trust funds.....	(303)	(303)	(297)	(-6)	(-6)

VETERANS EMPLOYMENT AND TRAINING					
State Administration:					
Disabled Veterans Outreach Program	(76,913)	(81,993)	(81,993)	(+ 5,080)	.....
Local Veterans Employment Program	(71,386)	(75,125)	(75,125)	(+ 3,739)	.....
Subtotal, State Administration	(148,299)	(157,118)	(157,118)	(+ 8,819)	.....
Federal Administration	(19,419)	(21,752)	(19,031)	(-388)	(-2,721)
National Veterans Training Institute	(2,672)	.....	(2,000)	(-672)	(+ 2,000)
Total, Trust Funds.....	(170,390)	(178,870)	(178,149)	(+ 7,759)	(-721)
REINVENTION INVESTMENT FUND					
	.....	3,900	.....	.....	-3,900

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
OFFICE OF THE INSPECTOR GENERAL					
Program activities.....	37,622	38,117	36,270	-1,352	-1,847
Trust funds.....	(3,615)	(3,615)	(3,543)	(-72)	(-72)
Executive Direction and Management.....	6,804	6,355	6,668	-136	+313
Total, Office of the Inspector General.....	48,041	48,087	46,481	-1,560	-1,606
Federal funds.....	44,426	44,472	42,938	-1,488	-1,534
Trust funds.....	(3,615)	(3,615)	(3,543)	(-72)	(-72)
Total, Departmental Management.....	360,781	377,394	362,431	+1,650	-14,963
Federal funds.....	186,473	194,606	180,442	-6,031	-14,164
Trust funds.....	(174,308)	(182,788)	(181,989)	(+7,681)	(-799)
Total, Labor Department 1/.....	11,356,874	12,734,029	11,480,625	+123,751	-1,253,404
Federal funds.....	7,976,741	9,059,601	7,973,792	-2,949	-1,083,809
Trust funds.....	(3,380,133)	(3,674,428)	(3,506,833)	(+126,700)	(-167,595)

1/ Includes Federal and Trust funds.

TITLE II - DEPARTMENT OF HEALTH AND HUMAN SERVICES					
HEALTH RESOURCES AND SERVICES ADMINISTRATION					
HEALTH RESOURCES AND SERVICES					
Consolidated health centers.....	758,132	.....	802,124	.....	+802,124
Health Centers Cluster (proposed legislation).....		757,124	.....	.....	-757,124
Subtotal, Health Centers Activities	758,132	757,124	802,124	+43,992	+45,000
National Health Service Corps:					
Field placements	37,244	.....	37,244	.....	+37,244
Recruitment.....	75,189	.....	78,189	+3,000	+78,189
Subtotal, National Health Service Corps.....	112,433	.....	115,433	+3,000	+115,433
Health Professions					
Grants to communities for scholarships.....	474	.....	532	+58	+532
Health professions data system.....	212	.....	238	+26	+238
Nurse loan repayment for shortage area service.....	1,962	.....	2,197	+235	+2,197
Workforce Development Cluster (proposed leg).....		117,205	.....	.....	-117,205
Centers of excellence	22,072	.....	24,718	+2,646	+24,718
Health careers opportunity program.....	23,918	.....	26,785	+2,867	+26,785
Exceptional financial need scholarships.....	10,120	.....	11,333	+1,213	+11,333
Faculty loan repayment	947	.....	1,061	+114	+1,061
Fin assistance for disadvantaged HP students.....	5,999	.....	6,718	+719	+6,718

Note: All HHS accounts are current funded unless otherwise noted.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997--Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Scholarships for disadvantaged students	16,677	.....	18,676	+ 1,999	+18,676
Minority / Disadvantaged Cluster (proposed leg).....	.....	64,085	.....	.....	-64,085
Family medicine training / departments.....	44,002	.....	49,277	+ 5,275	+49,277
General internal medicine and pediatrics.....	15,741	.....	17,628	+1,887	+17,628
Physician assistants.....	5,697	.....	6,380	+683	+6,380
Public health and preventive medicine.....	7,148	.....	8,005	+857	+8,005
Health administration traineeships / projects.....	978	.....	1,095	+117	+1,095
Primary Care Medicine and Public Health Cluster (proposed legislation).....	.....	80,000	.....	.....	-80,000
Area health education centers.....	23,123	.....	28,495	+5,372	+28,495
Border health training centers	3,350	.....	3,752	+402	+3,752
General dentistry residencies	3,381	.....	3,786	+405	+3,786
Allied health special projects.....	3,424	.....	3,834	+410	+3,834
Geriatric education centers and training	7,933	.....	8,884	+951	+8,884
Rural interdisciplinary traineeships.....	3,709	.....	4,154	+445	+4,154
Podiatric medicine.....	605	.....	678	+73	+678
Chiropractic demonstration grants.....	916	.....	1,026	+110	+1,026
Enhanced Area Health Education Cluster (proposed legislation).....	.....	35,000	.....	.....	-35,000
Advanced nurse education	11,134	.....	12,469	+1,335	+12,469
Nurse practitioners / nurse midwives	15,460	.....	17,588	+2,128	+17,588
Special projects.....	9,436	.....	10,567	+1,131	+10,567
Nurse disadvantaged assistance.....	3,453	.....	3,867	+414	+3,867

Professional nurse traineeships.....	14,235	.....	15,942	+ 1,707	+ 15,942
Nurse anesthetists	2,469	.....	2,765	+ 296	+ 2,765
Nurse Education / Practice Initiatives Cluster (proposed legislation).....	.....	70,000	.....	.....	-70,000
Subtotal, Health professions.....	258,575	366,290	292,450	+ 33,875	-73,840
Other HRSA Programs:					
Hansen's disease services.....	17,094	16,371	17,094	.....	+ 723
Maternal & child health block grant.....	678,204	681,061	681,061	+ 2,857	.....
Healthy start	92,816	74,838	.....	-92,816	-74,838
Organ transplantation	2,069	2,296	2,400	+ 331	+ 104
Health teaching facilities interest subsidies.....	411	297	297	-114	.....
Bone marrow program.....	15,272	15,332	15,272	.....	-60
Rural outreach grants.....	27,797	30,254	4,000	-23,797	-26,254
Emergency medical services for children.....	10,755	.....	12,500	+ 1,745	+ 12,500
Emergency Medical Services (EMS) Cluster (proposed legislation).....	.....	9,333	.....	.....	-9,333
Black lung clinics.....	3,811	.....	1,900	-1,911	+ 1,900
Alzheimers demonstration grants	3,980	.....	6,000	+ 2,020	+ 6,000
Payment to Hawaii, treatment of Hansen's Disease	2,045	.....	2,045	.....	+ 2,045
Pacific Basin initiative	1,200	.....	.....	-1,200	.....
Special Populations Cluster (proposed legislation).....	.....	7,485	.....	.....	-7,485

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Ryan White AIDS Programs:					
Emergency assistance	391,700	423,943	401,700	+ 10,000	-22,243
Comprehensive care programs	260,847	284,954	290,847	+ 30,000	+ 5,893
Early intervention program	56,918	64,568	61,918	+ 5,000	-2,650
Pediatric demonstrations	29,000	34,000	34,000	+ 5,000	.....
AIDS dental services	6,937	6,937	7,500	+ 563	+ 563
Education and training centers	12,000	16,287	16,287	+ 4,287	.....
Subtotal, Ryan White AIDS programs.....	757,402	830,689	812,252	+ 54,850	-18,437
Family planning	192,592	198,452	192,592	.....	-5,860
Rural health research	9,353	7,884	7,884	-1,469	.....
Health care facilities	20,000	2,000	.....	-20,000	-2,000
Buildings and facilities	741	828	2,828	+ 2,087	+ 2,000
National practitioner data bank	6,000	6,000	6,000	.....	.....
User fees	-6,000	-6,000	-6,000	.....	.....
Program management	112,058	112,949	112,058	.....	-891
Total, Health resources and services	3,076,740	3,113,483	3,080,190	+ 3,450	-33,293
MEDICAL FACILITIES GUARANTEE AND LOAN FUND: Interest subsidy program	8,000	7,000	7,000	-1,000	.....

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM (HEAL):					
New loan subsidies.....	126	477	477	+ 351	
Liquidating account (non-add)		(14,481)	(14,481)	(+ 14,481)	
HEAL loan limitation (non-add)	(210,000)	(140,000)	(140,000)	(-70,000)	
Program management	2,688	2,695	2,688		-7
Total, HEAL	2,814	3,172	3,165	+ 351	-7
VACCINE INJURY COMPENSATION PROGRAM TRUST FUND:					
Post - FY88 claims (trust fund)	56,721	56,721	56,721		
HRSA administration (trust fund).....	3,000	3,000	3,000		
Subtotal, Vaccine injury compensation trust fund	59,721	59,721	59,721		
VACCINE INJURY COMPENSATION: Pre - FY89 claims (appropriation)	110,000	110,000	110,000		
Total, Vaccine injury	169,721	169,721	169,721		
Total, Health Resources & Services Admin.....	3,257,275	3,293,376	3,260,076	+ 2,801	-33,300

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**

[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
CENTERS FOR DISEASE CONTROL					
DISEASE CONTROL, RESEARCH AND TRAINING					
Preventive Health Services Block Grant.....	145,229	145,229	157,000	+ 11,771	+ 11,771
Prevention centers.....	8,099	7,106	7,106	-993	.....
CDC/HCFA vaccine program:					
Immunization partnership grant (proposed leg).....	.....	176,656	.....	.....	-176,656
Childhood immunization	467,890	311,237	467,890	.....	+ 156,653
HCFA vaccine purchase (non-add).....	(409,759)	(523,952)	(523,952)	(+ 114,193)	.....
Subtotal, CDC/HCFA vaccine program level.....	(877,649)	(1,011,845)	(991,842)	(+ 114,193)	(-20,003)
1995 Vaccine rescission (non-add).....	(-53,000)	.....	.....	(+ 53,000)	.....
HIV partnership grant (proposed legislation).....	.....	297,875	.....	.....	-297,875
Acquired Immune Deficiency Syndrome (AIDS)	584,080	319,106	599,080	+ 15,000	+ 279,974
Subtotal	584,080	616,981	599,080	+ 15,000	-17,901
STD/IB partnership grant (proposed legislation).....	.....	182,290	.....	.....	-182,290
Tuberculosis	119,303	16,404	119,303	.....	+ 102,899
Sexually transmitted diseases	105,299	24,578	105,299	.....	+ 80,721
Subtotal	224,602	223,272	224,602	.....	+ 1,330

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Crime Bill Activities:					
Rape prevention and education.....	28,542	35,000	28,642	+ 100	-6,358
Domestic violence community demonstrations.....	3,000	6,000	5,000	+ 2,000	-1,000
Crime victim study.....	100	.....	.....	-100	.....
Subtotal, Crime bill activities.....	31,642	41,000	33,642	+ 2,000	-7,358
Total, Disease Control.....	2,111,916	2,239,258	2,187,018	+ 75,102	-52,240
NATIONAL INSTITUTES OF HEALTH					
National Cancer Institute.....	2,248,000	2,060,392	2,385,741	+ 137,741	+ 325,349
Transfer, Office of AIDS Research .....	.....	(220,539)	.....	.....	(-220,539)
Subtotal.....	(2,248,000)	(2,280,931)	(2,385,741)	(+ 137,741)	(+ 104,810)
National Heart, Lung, and Blood Institute	1,354,946	1,320,555	1,438,265	+ 83,319	+ 117,710
Transfer, Office of AIDS Research .....	.....	(58,115)	.....	.....	(-58,115)
Subtotal.....	(1,354,946)	(1,378,670)	(1,438,265)	(+ 83,319)	(+ 59,595)
National Institute of Dental Research.....	182,923	174,463	195,596	+ 12,673	+ 21,133
Transfer, Office of AIDS Research .....	.....	(12,318)	.....	.....	(-12,318)
Subtotal.....	(182,923)	(186,781)	(195,596)	(+ 12,673)	(+ 8,815)

National Institute of Diabetes and Digestive and Kidney Diseases	770,582	772,975 (11,948)	819,224	+48,642	+46,249 (-11,948)
Transfer, Office of AIDS Research					
Subtotal	(770,582)	(784,923)	(819,224)	(+48,642)	(+34,301)
National Institute of Neurological Disorders and Stroke	680,902	671,148	725,478	+44,576	+54,330
Transfer, Office of AIDS Research		(23,950)			(-23,950)
Subtotal	(680,902)	(695,098)	(725,478)	(+44,576)	(+30,380)
National Institute of Allergy and Infectious Diseases	1,168,483	584,362	1,256,149	+87,666	+671,787
Transfer, Office of AIDS Research		(624,368)			(-624,368)
Subtotal	(1,168,483)	(1,208,730)	(1,256,149)	(+87,666)	(+47,419)
National Institute of General Medical Sciences	946,896	936,573	1,003,722	+56,826	+67,149
Transfer, Office of AIDS Research		(27,050)			(-27,050)
Subtotal	(946,896)	(963,623)	(1,003,722)	(+56,826)	(+40,099)
National Institute of Child Health and Human Development	594,547	543,441	631,989	+37,442	+88,548
Transfer, Office of AIDS Research		(60,209)			(-60,209)
Subtotal	(594,547)	(603,650)	(631,989)	(+37,442)	(+28,339)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
National Eye Institute.....	313,933	310,072	333,131	+ 19,198	+ 23,059
Transfer, Office of AIDS Research .....	.....	(9,135)	.....	.....	(-9,135)
Subtotal	(313,933)	(319,207)	(333,131)	(+ 19,198)	(+ 13,924)
National Institute of Environmental Health Sciences	288,378	289,114	308,258	+ 19,880	+ 19,144
Transfer, Office of AIDS Research .....	.....	(6,028)	.....	.....	(-6,028)
Subtotal	(288,378)	(295,142)	(308,258)	(+ 19,880)	(+ 13,116)
National Institute on Aging	453,541	461,541	484,375	+ 30,834	+ 22,834
Transfer, Office of AIDS Research .....	.....	(1,824)	.....	.....	(-1,824)
Subtotal	(453,541)	(463,365)	(484,375)	(+ 30,834)	(+ 21,010)
National Institute of Arthritis and Musculoskeletal and and Skin Diseases.....	242,655	243,169	257,637	+ 14,982	+ 14,468
Transfer, Office of AIDS Research .....	.....	(3,972)	.....	.....	(-3,972)
Subtotal	(242,655)	(247,141)	(257,637)	(+ 14,982)	(+ 10,496)
National Institute on Deafness & Other Communication Disorders	176,383	179,090	189,243	+ 12,860	+ 10,153
Transfer, Office of AIDS Research .....	.....	(1,726)	.....	.....	(-1,726)
Subtotal	(176,383)	(180,816)	(189,243)	(+ 12,860)	(+ 8,427)

National Institute of Nursing Research	55,814	51,951	59,715	+ 3,901	+ 7,764
Transfer, Office of AIDS Research		(5,015)			(-5,015)
Subtotal	(55,814)	(56,966)	(59,715)	(+ 3,901)	(+ 2,749)
National Institute on Alcohol Abuse and Alcoholism	198,401	192,280	212,079	+ 13,678	+ 19,799
Transfer, Office of AIDS Research		(10,334)			(-10,334)
Subtotal	(198,401)	(202,614)	(212,079)	(+ 13,678)	(+ 9,465)
National Institute on Drug Abuse	458,112	312,014	487,341	+ 29,229	+ 175,327
Transfer, Office of AIDS Research		(154,311)			(-154,311)
Subtotal	(458,112)	(466,325)	(487,341)	(+ 29,229)	(+ 21,016)
National Institute of Mental Health	660,514	578,149	701,247	+ 40,733	+ 123,098
Transfer, Office of AIDS Research		(93,056)			(-93,056)
Subtotal	(660,514)	(671,205)	(701,247)	(+ 40,733)	(+ 30,042)
National Center for Research Resources	390,298	309,344	416,523	+ 26,225	+ 107,179
Transfer, Office of AIDS Research		(68,255)			(-68,255)
Subtotal	(390,298)	(377,599)	(416,523)	(+ 26,225)	(+ 38,924)
National Center for Human Genome Research	169,768	177,788	189,267	+ 19,499	+ 11,479
Transfer, Office of AIDS Research		(2,087)			(-2,087)
Subtotal	(169,768)	(179,875)	(189,267)	(+ 19,499)	(+ 9,392)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**

[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
John E. Fogarty International Center	25,327	15,790	26,707	+ 1,380	+ 10,917
Transfer, Office of AIDS Research .....	.....	(9,757)	.....	.....	(-9,757)
Subtotal	(25,327)	(25,547)	(26,707)	(+ 1,380)	(+ 1,160)
National Library of Medicine	140,936	143,268	150,093	+ 9,157	+ 6,825
Transfer, Office of AIDS Research .....	.....	(3,311)	.....	.....	(-3,311)
Subtotal	(140,936)	(146,579)	(150,093)	(+ 9,157)	(+ 3,514)
Office of the Director	260,072	226,913	275,423	+ 15,351	+ 48,510
Office of AIDS research (non-add)	(26,598)	(24,600)	(26,598)	.....	(+ 1,998)
Transfer, Office of AIDS Research .....	.....	(24,600)	.....	.....	(-24,600)
Subtotal	(260,072)	(251,513)	(275,423)	(+ 15,351)	(+ 23,910)
Buildings and facilities	146,151	390,261	200,000	+ 53,849	-190,261
Office of AIDS Research .....	.....	1,431,908	.....	.....	-1,431,908
Total N.I.H.	11,927,562	12,376,561	12,747,203	+ 819,641	+ 370,642

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION					
Mental Health:					
Knowledge development and application.....	38,032	62,133	38,032		-24,101
Mental health performance partnership	275,420	275,420	275,420		
Children's mental health.....	59,927	59,958	59,927		-31
Grants to States for the homeless (PATH)	20,000		20,000		+20,000
Protection and advocacy	19,850	21,957	21,957	+2,107	
Subtotal, mental health.....	413,229	419,468	415,336	+2,107	-4,132
Substance Abuse Treatment:					
Knowledge development and application.....	89,777	176,043	101,333	+11,556	-74,710
Substance abuse performance partnership (BA)	1,234,107	1,271,957	1,184,107	-50,000	-87,850
P.L. 104-121 funding (non-add)		(50,000)	(50,000)	(+50,000)	
Subtotal, Substance Abuse Treatment (BA)	1,323,884	1,448,000	1,285,440	-38,444	-162,560
Program level.....	(1,323,884)	(1,498,000)	(1,335,440)	(+11,556)	(-162,560)
Substance Abuse Prevention:					
Knowledge development and application.....	89,799	176,043	93,959	+4,160	-82,084
Program management.....	56,188	54,500	54,500	-1,688	
Total, Substance Abuse and Mental Health (BA)	1,883,100	2,098,011	1,849,235	-33,865	-248,776
Program level.....	(1,883,100)	(2,148,011)	(1,899,235)	(+16,135)	(-248,776)

**COMPARATIVE STATES OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**

[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS					
Retirement payments.....	129,808	136,421	136,421	+ 6,613	.....
Survivors benefits.....	9,208	11,001	11,001	+ 1,793	.....
Dependent's medical care.....	25,108	26,414	26,414	+ 1,306	.....
Military Services Credits.....	2,801	2,556	2,556	-245	.....
Total, Retirement pay and medical benefits.....	166,925	176,392	176,392	+ 9,467	.....
AGENCY FOR HEALTH CARE POLICY AND RESEARCH					
Research on Health Care Systems Cost & Access:					
Research.....	7,019	29,132	39,239	+ 32,220	+ 10,107
1% evaluation funding (non-add).....	(45,124)	(19,284)	.....	(-45,124)	(-19,284)
Subtotal.....	(52,143)	(48,416)	(39,239)	(-12,904)	(-9,177)
Health Insurance & Expenditure Surveys:					
Research.....	.....	10,000	10,000	+ 10,000	.....
1% evaluation funding (non-add).....	(15,000)	(34,700)	(34,700)	(+ 19,700)	.....
Subtotal.....	(15,000)	(44,700)	(44,700)	(+ 29,700)	.....

Research on Health Care Outcomes & Quality:					
Federal funds.....	55,796	42,445	39,000	-16,796	-3,445
Trust funds.....		(5,796)			(-5,796)
Subtotal	(55,796)	(48,241)	(39,000)	(-16,796)	(-9,241)
Program support.....	2,230	2,423	2,230		-193
Total, Health Care Policy and Research:					
Federal Funds.....	65,045	84,000	90,469	+ 25,424	+ 6,469
Trust funds.....		(5,796)			(-5,796)
Total, 1% evaluation funding (non-add).....	(60,124)	(53,984)	(34,700)	(-25,424)	(-19,284)
Total, Health Care Policy & Research (non-add).....	(125,169)	(143,780)	(125,169)		(-18,611)
Total, Public Health Service:					
Federal Funds.....	19,411,823	20,267,598	20,310,393	+ 898,570	+ 42,795
Trust funds.....		(5,796)			(-5,796)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
HEALTH CARE FINANCING ADMINISTRATION					
GRANTS TO STATES FOR MEDICAID 1/					
Medicaid current law benefits	91,140,563	98,141,139	98,141,139	+ 7,000,576	.....
State and local administration	3,742,000	4,171,923	4,171,923	+ 429,923	.....
Subtotal, Medicaid program level, FY 1996 / 1997	94,882,563	102,313,062	102,313,062	+ 7,430,499	.....
Carryover balance	-12,740,491	-1,101,094	-1,101,094	+ 11,639,397	.....
Less funds advanced in prior year	-27,047,717	-26,155,350	-26,155,350	+ 892,367	.....
Total, request, FY 1996 / 1997	55,094,355	75,056,618	75,056,618	+ 19,962,263	.....
New advance, 1st quarter, FY 1997 / 1998	26,155,350	27,988,993	27,988,993	+ 1,833,643	.....

1/ Administration proposes \$3,277,338,000 in legislative additions.

PAYMENTS TO HEALTH CARE TRUST FUNDS				
Supplemental medical insurance.....	55,385,000	59,456,000	59,456,000	.....
Hospital insurance for the uninsured.....	358,000	405,000	405,000	.....
Federal uninsured payment	63,000	76,000	76,000	.....
DOD adjustment.....	625,000	.....	.....	.....
SMI matching, prior year shortfall	6,737,000	.....	.....	.....
Program management.....	145,000	142,000	142,000	.....
	63,313,000	60,079,000	60,079,000	.....
Total, Payment to Trust Funds, current law.....	(9,200,000)	(15,000,000)	(15,000,000)	.....
Net Medicare trust fund/general fund cash flow (NA).....			(+ 5,800,000)	.....
PROGRAM MANAGEMENT				
Research, demonstration, and evaluation:				
Regular program, trust funds.....	(40,000)	(50,810)	(42,000)	(+ 2,000)
Rural hospital transition demonstrations, trust funds..	(13,089)	.....	.....	(-13,089)
Insurance Counseling.....	.....	(4,500)	.....	.....
	.....	.....	.....	(-4,500)
Subtotal, research, demonstration, & evaluation	(53,089)	(55,310)	(42,000)	(-13,310)
Medicare contractors (Trust Funds)	(1,597,642)	(1,614,200)	(1,207,200)	(-390,442)
H.R. 3103 funding (non-add) .....	.....	.....	(435,000)	(+ 435,000)
Subtotal, Contractors program level.....	(1,597,642)	(1,614,200)	(1,642,200)	(+ 44,558)
				(+ 28,000)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
State Survey and Certification:					
Medicare certification, trust funds	(147,625)	(173,800)	(158,000)	(+ 10,375)	(-15,800)
Federal Administration:					
Trust funds	(326,053)	(359,974)	(326,053)	.....	(-33,921)
Less current law user fees	(-128)	(-132)	(-128)	.....	( + 4)
Subtotal, Federal Administration	(325,925)	(359,842)	(325,925)	.....	(-33,917)
Total, Program management	(2,124,281)	(2,203,152)	(1,733,125)	(-391,156)	(-470,027)
Total, Health Care Financing Administration:					
Federal funds	144,562,705	163,124,611	163,124,611	+ 18,561,906	.....
Current year, FY 1995 / 1996	(118,407,355)	(135,135,618)	(135,135,618)	(+ 16,728,263)	.....
New advance, 1st quarter, FY 1996 / 1997	(26,155,350)	(27,988,993)	(27,988,993)	(+ 1,833,643)	.....
Trust funds	(2,124,281)	(2,203,152)	(1,733,125)	(-391,156)	(-470,027)

ADMINISTRATION FOR CHILDREN AND FAMILIES				
FAMILY SUPPORT PAYMENTS TO STATES				
Aid to Families with Dependent Children (AFDC)				
Quality control liabilities.....	12,999,000	11,713,000	-1,286,000	
Payments to territories.....	-71,121	-52,000	+ 19,121	
Emergency assistance.....	19,428	25,000	+ 5,572	
Repatriation	974,000	1,867,000	+ 893,000	
State and local welfare administration.....	1,000	1,000		
Work activities child care	1,770,000	1,875,000	+ 105,000	
Transitional child care	734,000	879,405	+ 145,405	
At risk child care.....	220,000	267,595	+ 47,595	
	300,000	300,000		
Subtotal, Welfare payments	16,946,307	16,876,000	-70,307	
Child Support Enforcement:				
State and local administration	1,943,000	2,132,000	+ 189,000	
Federal incentive payments.....	439,000	459,000	+ 20,000	
Less federal share collections.....	-1,314,000	-1,366,000	-52,000	
Subtotal, Child support	1,068,000	1,225,000	+ 157,000	
Total, Payments, FY 1996 / 1997 program level.....	18,014,307	18,101,000	+ 86,693	
Less funds advanced in previous years.....	-4,400,000	-4,800,000	-400,000	
Total, Payments, current request, FY 1996 /1997	13,614,307	13,301,000	-313,307	
New advance, 1st quarter, FY 1997 /1998	4,800,000	4,700,000	-100,000	

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
JOB OPPORTUNITIES AND BASIC SKILLS (JOBS)					
LOW INCOME HOME ENERGY ASSISTANCE					
Advance from prior year (non-add)	(999,997)			(-999,997)	
Adjustment	-100,000	1,000,000	900,000	+ 1,000,000	-100,000
FY 1996 / 1997 program level	(899,997)	(1,000,000)	(900,000)	(+ 3)	(-100,000)
Prior year emergency allocation			(300,000)	(+ 300,000)	(+ 300,000)
New emergency allocation (non-add)					
Advance funding (FY 1997 / 1998)		1,000,000			-1,000,000
REFUGEE AND ENTRANT ASSISTANCE					
Transitional and medical services	263,267	246,502	246,502	-16,765	
Social services	80,802	80,802	110,882	+ 30,080	+ 30,080
Preventive health	2,700	4,835	4,835	+ 2,135	
Targeted assistance	55,397	49,397	49,857	-5,540	+ 460
Carryover (non-add)	(10,590)		(9,300)	(-1,290)	(+ 9,300)
Total, Refugee and entrant assistance (BA)	402,166	381,536	412,076	+ 9,910	+ 30,540
Total program level	(412,756)	(381,536)	(421,376)	(+ 8,620)	(+ 39,840)

CHILD CARE AND DEVELOPMENT BLOCK GRANT 1/	934,642	1,048,825	950,000	+15,358	-98,825
SOCIAL SERVICES BLOCK GRANT (TITLE XX)	2,381,000	2,800,000	2,480,000	+99,000	-320,000
CHILDREN AND FAMILIES SERVICES PROGRAMS					
Programs for Children, Youth, and Families:					
Head start.....	3,569,329	3,981,000	3,600,000	+30,671	-381,000
Consolidated runaway, homeless youth program		68,572			-68,572
Runaway and homeless youth	43,653		43,653		+43,653
Runaway youth - transitional living	14,949		14,949		+14,949
Subtotal, runaway	58,602	68,572	58,602		-9,970
Teen pregnancy prevention initiative.....		30,000			-30,000
Child abuse state grants.....	21,026	22,854	21,026		-1,828
Child abuse discretionary activities	14,154		14,154		+14,154
Temporary childcare/crisis nurseries	9,835			-9,835	
Abandoned infants assistance	12,251	14,406	12,251		-2,155
Child welfare services	277,389	291,989	277,389		-14,600
Child welfare training	2,000		4,000	+2,000	+4,000
Child welfare innovative programs.....		39,178			-39,178
Adoption opportunities.....	11,000		11,000		+11,000
Social services & income maintenance research.....		10,000			-10,000
Family violence	32,643	32,619	32,643		+24
Community Based Resource Centers.....	23,000	50,569		-23,000	-50,569

1/ This account is forward funded.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Developmental disabilities program:					
State councils	64,803	70,438	64,803	.....	-5,635
Protection and advocacy	26,718	26,718	26,718	.....	.....
Developmental disabilities special projects	5,250	5,715	.....	-5,250	-5,715
Developmental disabilities university affiliated programs	17,461	18,979	17,461	.....	-1,518
Subtotal, Developmental disabilities.....	114,232	121,850	108,982	-5,250	-12,868
Native American Programs.....	34,933	38,382	34,933	.....	-3,449
Community services:					
Community Services Block Grants.....	389,598	389,600	489,600	+ 100,002	+ 100,000
Discretionary funds:					
Community initiative program:					
Economic development	27,332	.....	27,332	.....	+ 27,332
Rural community facilities.....	3,009	.....	3,009	.....	+ 3,009
Subtotal, discretionary funds	30,341	.....	30,341	.....	+ 30,341
National youth sports	11,520	.....	12,000	+ 480	+ 12,000
Community Food and Nutrition	4,000	.....	.....	-4,000	.....
Subtotal, Community services	435,459	389,600	531,941	+ 96,482	+ 142,341

Program direction.....	150,117	160,279	147,115	-3,002	-13,164
Total, Children and Families Services Programs.....	4,765,970	5,251,298	4,854,036	+ 88,066	-397,262
VIOLENT CRIME REDUCTION PROGRAMS:					
Community schools.....		13,600			-13,600
Runaway Youth Prevention	5,558	8,000	2,000	-3,558	-6,000
Domestic violence hotline	400	400	400		
Battered women's shelters.....	15,000	27,381	24,958	+ 9,958	-2,423
Youth education demonstration.....	400			-400	
Total, Violent crime reduction programs	21,358	49,381	27,358	+ 6,000	-22,023
FAMILY SUPPORT AND PRESERVATION	225,000	240,000	240,000	+ 15,000	
PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE					
Foster care	3,742,338	3,807,143	3,807,143	+ 64,805	
Adoption assistance	509,900	567,888	567,888	+ 57,988	
Independent living.....	70,000	70,000	70,000		
Total, Payment to States.....	4,322,238	4,445,031	4,445,031	+ 122,793	
New advance, 1st quarter, FY 1997 / 1998.....		1,111,000	1,111,000	+ 1,111,000	
Total, Administration for Children and Families	32,366,681	36,328,071	34,420,501	+ 2,053,820	-1,907,570
Current year, FY 1996 / 1997	(27,566,681)	(29,517,071)	(28,609,501)	(+ 1,042,820)	(-907,570)
FY 1997 / 1998.....	(4,800,000)	(6,811,000)	(5,811,000)	(+ 1,011,000)	(-1,000,000)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
ADMINISTRATION ON AGING					
AGING SERVICES PROGRAMS					
Grants to States:					
Supportive services and centers.....	300,556	294,787	300,556	.....	+ 5,769
Ombudsman services.....	.....	4,449	.....	.....	-4,449
Prevention of elder abuse.....	.....	4,732	.....	.....	-4,732
Pension counseling.....	.....	1,976	.....	.....	-1,976
Preventive health.....	15,623	16,982	.....	-15,623	-16,982
Nutrition:					
Congregate meals.....	364,535	357,019	364,535	.....	+ 7,516
Home-delivered meals.....	105,339	94,191	105,339	.....	+11,148
Frail elderly in-home services.....	9,263	9,263	9,263	.....	.....
Grants to Indians.....	16,057	16,057	16,057	.....	.....
Aging research, training and special projects.....	2,850	11,666	.....	-2,850	-11,666
Federal Council on Aging.....	.....	226	.....	.....	-226
Program administration.....	15,097	16,789	14,795	-302	-1,994
Total, Administration on Aging.....	829,320	828,137	810,545	-18,775	-17,592

OFFICE OF THE SECRETARY					
GENERAL DEPARTMENTAL MANAGEMENT:					
Federal funds.....	97,866	91,436	98,439	+ 573	+ 7,003
Trust funds.....	(6,628)	(9,187)	(5,851)	(-777)	(-3,336)
1% Evaluation Funds (ASPE) (non-add).....	(19,820)	(19,820)	(19,820)		
Subtotal.....	(124,314)	(120,443)	(124,110)	(-204)	(+3,667)
Emergency preparedness.....		2,020			-2,020
Population affairs: Adolescent family life.....	7,698	6,187	7,698		+1,511
Physical fitness and sports.....	1,000	1,007	1,000		-7
Minority health.....	27,000	19,945	33,000	+ 6,000	+13,055
Office of research integrity.....		3,732			-3,732
Office of women's health.....	5,362	2,570	8,862	+ 3,500	+ 6,292
Office of Disease Prevention.....		4,266			-4,266
Anti-Terrorism.....		5,000			-5,000
Total, General Departmental Management:					
Federal funds.....	138,926	136,163	148,999	+10,073	+12,836
Trust funds.....	(6,628)	(9,187)	(5,851)	(-777)	(-3,336)
Total.....	(145,554)	(145,350)	(154,850)	(+ 9,296)	(+9,500)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
OFFICE OF THE INSPECTOR GENERAL:					
Federal funds.....	58,149	56,139	29,399	-28,750	-26,740
Trust funds.....	(20,670)	(18,810)	.....	(-20,670)	(-18,810)
H.R. 3103 funding (non-add).....	.....	.....	(60,000)	(+ 60,000)	(+ 60,000)
Total, Office of the Inspector General:					
Federal funds.....	58,149	56,139	29,399	-28,750	-26,740
Trust funds.....	(20,670)	(18,810)	.....	(-20,670)	(-18,810)
Total (BA).....	(78,819)	(74,949)	(29,399)	(-49,420)	(-45,550)
Total program level.....	(78,819)	(74,949)	(89,399)	(+ 10,580)	(+ 14,450)
OFFICE FOR CIVIL RIGHTS:					
Federal funds.....	16,066	18,188	16,066	.....	-2,122
Portion treated as budget authority.....	(3,314)	(3,602)	(3,314)	.....	(-288)
Total, Office for Civil Rights:					
Federal funds.....	16,066	18,188	16,066	.....	-2,122
Trust funds.....	(3,314)	(3,602)	(3,314)	.....	(-288)
Total.....	(19,380)	(21,790)	(19,380)	.....	(-2,410)

POLICY RESEARCH	8,968	9,000	9,000	+ 32	.....
Total, Office of the Secretary:					
Federal funds	222,109	219,490	203,464	-18,645	-16,026
Trust funds	(30,612)	(31,599)	(9,165)	(-21,447)	(-22,434)
Total	(252,721)	(251,089)	(212,629)	(-40,092)	(-38,460)
PUBLIC HEALTH & SOCIAL SERVICES EMERGENCY FUND	8,987	.....	.....	-8,987	.....
Total, Department of Health and Human Services:					
Federal Funds	197,401,625	220,767,907	218,869,514	+ 21,467,889	-1,898,393
Current year, FY 1996 / 1997	(166,446,275)	(185,967,914)	(185,069,521)	(+ 18,623,246)	(-898,393)
FY 1997 / 1998	(30,955,350)	(34,799,993)	(33,799,993)	(+ 2,844,643)	(-1,000,000)
Trust funds	(2,154,893)	(2,240,547)	(1,742,290)	(-412,603)	(-498,257)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
TITLE III - DEPARTMENT OF EDUCATION					
EDUCATION REFORM 1/					
Goals 2000: Educate America Act:					
State & local educ systemic improvement grants.....	340,000	476,000	.....	-340,000	-476,000
Parental assistance.....	10,000	15,000	.....	-10,000	-15,000
Subtotal, Goals 2000.....	350,000	491,000	.....	-350,000	-491,000
School-to-work opportunities:					
State grants and local partnerships.....	180,000	200,000	175,000	-5,000	-25,000
Total.....	530,000	691,000	175,000	-355,000	-516,000

1/ Forward funded with the exception of parental assistance.

NOTE: All Education accounts are current funded unless otherwise noted.

EDUCATION FOR THE DISADVANTAGED 1/					
Grants to local education agencies:					
Basic grants, forward funded 2/	6,042,766	5,490,065	6,042,766	.....	+ \$52,701
Basic grants, current funded	3,500	4,000	3,500	.....	-500
Subtotal, Basic grants	6,046,266	5,494,065	6,046,266	.....	+ \$52,201
Concentration grants	684,082	670,935	684,082	.....	+ 13,147
Targeted grants	.....	1,000,000	.....	.....	-1,000,000
Subtotal	6,730,348	7,165,000	6,730,348	.....	-434,652
Capital expenses for private school children	38,119	20,000	20,000	-18,119	.....
Even start	101,997	102,000	101,997	.....	-3
State agency programs:					
Migrant	305,474	320,000	305,474	.....	-14,526
Neglected and delinquent / high risk youth	39,311	40,000	39,311	.....	-689
State school improvement	.....	15,000	.....	.....	-15,000
Demonstration of innovative practices	.....	10,000	.....	.....	-10,000
Evaluation	3,359	7,000	7,000	+ 3,641	.....
Total, ESEA	7,218,608	7,679,000	7,204,130	-14,478	-474,870

1/ All programs in this account are forward funded with the exception of current funded basic grants, Title I evaluation, Demonstration of Innovative Practices, High School Equivalency Program and the College Assistance Migrant Program.

2/ Availability of \$1,298,386,000 of the FY96 funds is delayed until October 1, 1996.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997--Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Migrant education:					
High school equivalency program	7,441			-7,441	
College assistance migrant program	2,028			-2,028	
Subtotal, migrant education	9,469			-9,469	
Total, Compensatory education programs	7,228,077	7,679,000	7,204,130	-23,947	-474,870
Subtotal, forward funded	(7,211,749)	(7,658,000)	(7,193,630)	(-18,119)	(-464,370)
IMPACT AID 1/					
Basic support payments	581,707	550,000	615,500	+33,793	+65,500
Payments for children with disabilities	40,000	40,000	40,000		
Payments for heavily impacted districts (sec. f)	50,000	20,000	50,000		+30,000
Subtotal	671,707	610,000	705,500	+33,793	+95,500
Facilities maintenance (sec. 8008)		3,000			-3,000
Construction (sec. 8007)	5,000	4,000	5,000		+1,000
Payments for Federal property (Sec. 8002)	16,293		17,500	+1,207	+17,500
Total, Impact aid	693,000	617,000	728,000	+35,000	+111,000

1/ 1996 figures do not include \$35,000,000 provided for Impact Aid basic support payments in the 1996 House National Security Appropriations Bill.

SCHOOL IMPROVEMENT PROGRAMS					
Professional development 1/.....	275,000	610,000	.....	-275,000	-610,000
Program innovation 1/.....	275,000	.....	606,517	+ 331,517	+ 606,517
Safe and drug-free schools and communities:					
State grants 1/.....	440,978	515,000	440,978	.....	-74,022
National programs.....	24,993	25,000	.....	-24,993	-25,000
Subtotal, Safe & drug-free schools & communities ...	465,971	540,000	440,978	-24,993	-99,022
Inexpensive book distribution (RIF).....	10,265	9,000	9,000	-1,265	.....
Arts in education.....	9,000	10,000	9,000	.....	-1,000
Christa McAuliffe fellowships.....	.....	2,000	.....	.....	-2,000
Other school improvement programs:					
Magnet schools assistance.....	95,000	95,000	95,000	.....	.....
Educational support services for homeless children and youth 1/.....	23,000	29,000	23,000	.....	-6,000
Women's educational equity 2/.....	.....	4,000	.....	.....	-4,000
Training and advisory services (Civil Rights IV-A).....	7,334	14,000	7,334	.....	-6,666
Ellender fellowships/Close up 1/.....	1,500	.....	1,000	-500	+ 1,000
Education for Native Hawaiians.....	12,000	6,000	4,000	-8,000	-2,000
Charter schools.....	18,000	40,000	18,000	.....	-22,000
Subtotal, other school improvement programs.....	156,834	188,000	148,334	-8,500	-39,666

1/ Forward funded.

2/ The President's 1997 request earmarks \$120,000 for an evaluation of this program.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Technical assistance for improving ESEA programs:					
Comprehensive regional assistance centers.....	21,507	45,000	21,554	+47	-23,446
Total, School improvement programs.....	1,213,577	1,404,000	1,235,383	+21,806	-168,617
Subtotal, forward funded.....	(1,015,478)	(1,154,000)	(1,071,495)	(+56,017)	(-82,505)
BILINGUAL AND IMMIGRANT EDUCATION 1/					
Bilingual education:					
Instructional services.....	117,200	117,190	117,190	-10	.....
Support services.....	9,700	14,330	.....	-9,700	-14,330
Professional development.....	1,100	25,180	.....	-1,100	-25,180
Immigrant education 2/.....	50,000	100,000	50,000	.....	-50,000
Foreign language assistance 3/.....	10,039	5,000	.....	-10,039	-5,000
Total.....	188,039	261,700	167,190	-20,849	-94,510

1/ The Department reprogrammed \$9.7 M and \$1.1 M from Instructional Services to Support Services and Professional Development respectively for 1996.

2/ The President's budget request permits States to award this funding competitively to LEAs.

3/ FY96 funding for foreign language assistance was provided in the School Improvement account.

SPECIAL EDUCATION				
State grants: 1/				
Grants to States part "b"	2,323,837	2,603,247	2,323,837	-279,410
Preschool grants	360,409	380,000	360,409	-19,591
Grants for infants and families	315,754	315,632	315,754	+ 122
Subtotal, State grants	3,000,000	3,298,879	3,000,000	-298,879
Proposed legis: Program Support and Improvement:				
Research to practice		95,720		-95,720
State improvement		37,076		-37,076
Professional development		76,700		-76,700
Parent training and information		14,534		-14,534
Technology development and ed. media services		30,004		-30,004
Subtotal, Proposed legislation		254,034		-254,034

1/ Forward funded. The President's request is based on legislation proposed for later transmittal.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**

[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Special purpose funds:					
Deaf-blindness.....	12,832	.....	12,832	.....	+12,832
Serious emotional disturbance.....	4,147	.....	4,147	.....	+4,147
Severe disabilities.....	10,030	.....	10,030	.....	+10,030
Early childhood education.....	25,147	.....	25,147	.....	+25,147
Secondary and transitional services.....	23,966	.....	23,966	.....	+23,966
Postsecondary education.....	8,839	.....	8,839	.....	+8,839
Innovation and development.....	14,000	.....	14,000	.....	+14,000
Media and captioning services.....	19,130	.....	20,030	+900	+20,030
Technology applications.....	9,993	.....	9,993	.....	+9,993
Special studies.....	3,827	.....	3,827	.....	+3,827
Personnel development.....	91,339	.....	91,339	.....	+91,339
Parent training.....	13,535	.....	13,535	.....	+13,535
Clearinghouses.....	1,989	.....	1,989	.....	+1,989
Regional resource centers.....	6,641	.....	6,641	.....	+6,641
Subtotal, Special purpose funds.....	245,415	.....	246,315	+900	+246,315
Total, Special education.....	3,245,415	3,552,913	3,246,315	+900	-306,598

REHABILITATION SERVICES AND DISABILITY RESEARCH					
Vocational rehabilitation State grants	2,118,834	2,176,038	2,176,038	+ 57,204	.....
Client assistance State grants	10,119	10,392	10,392	+ 273	.....
Training.....	39,629	39,629	39,629		.....
Special demonstration programs.....	27,441	18,942	18,942	-8,499	.....
Migratory workers	1,421	1,850	1,850	+ 429	.....
Recreational programs	2,596	2,596	2,596		.....
Protection and advocacy of individual rights	7,456	7,657	7,657	+ 201	.....
Projects with industry	22,065	22,071	22,071	+ 6	.....
Supported employment State grants	38,152	38,152	38,152		.....
Independent living:					
State grants	21,859	21,859	21,859		.....
Centers.....	41,749	42,876	42,876	+ 1,127	.....
Services for older blind individuals.....	8,952	9,952	9,952	+ 1,000	.....
Subtotal, Independent living.....	72,560	74,687	74,687	+ 2,127	.....

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Program improvement 1/.....	1,000	2,400	2,400	+ 1,400	.....
Evaluation.....	1,582	1,587	1,587	+ 5	.....
Helen Keller National Center for Deaf-Blind Youths & Adults.....	7,144	7,337	7,337	+ 193	.....
National Institute on Disability & Rehabilitation Research	69,984	70,000	70,000	+ 16	.....
Subtotal, mandatory programs	2,419,983	2,473,338	2,473,338	+ 53,355	.....
Assistive technology.....	36,109	39,249	36,109	.....	-3,140
Total Rehabilitation services	2,456,092	2,512,587	2,509,447	+ 53,355	-3,140

1/ 1996 funding for this activity was provided in the Technical Assistance to States line item.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES					
AMERICAN PRINTING HOUSE FOR THE BLIND...	6,680	6,495	6,680	.....	+185
NATIONAL TECHNICAL INSTITUTE FOR THE DEAF:					
Consolidated account	42,180	.....	43,041	+861	+43,041
Operations .....	.....	42,705	.....	.....	-42,705
Endowment grant.....	.....	336	.....	.....	-336
Subtotal	42,180	43,041	43,041	+861	.....
GALLAUDET UNIVERSITY:					
Consolidated account	77,629	.....	79,182	+1,553	+79,182
Operations .....	.....	79,030	.....	.....	-79,030
Endowment grant.....	.....	1,000	.....	.....	-1,000
Subtotal	77,629	80,030	79,182	+1,553	-848
Total, Special institutions for persons with disabilities	126,489	129,566	128,903	+2,414	-663

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**

[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
VOCATIONAL AND ADULT EDUCATION 1/					
Vocational education:					
Basic State grants.....	972,750	1,100,000	972,750	.....	-127,250
Tech-Prep education.....	100,000	.....	100,000	.....	+ 100,000
Tribally controlled postsec. vocational institutions.....	2,919	2,919	2,919	.....	.....
State councils.....	.....	.....	.....	.....	.....
National programs: Research.....	4,998	17,081	.....	-4,998	-17,081
Subtotal, Vocational education.....	1,080,667	1,120,000	1,075,669	-4,998	-44,331
Adult education:					
State programs.....	250,000	290,000	250,000	.....	-40,000
National programs:					
Evaluation and technical assistance.....	.....	5,000	.....	.....	-5,000
National Institute for Literacy.....	4,860	5,000	4,000	-860	-1,000
Subtotal, National programs.....	4,860	10,000	4,000	-860	-6,000
Literacy programs for prisoners.....	4,723	.....	.....	-4,723	.....
Subtotal, adult education.....	259,583	300,000	254,000	-5,583	-46,000
Total, Vocational and adult education.....	1,340,250	1,420,000	1,329,669	-10,581	-90,331

1/ All programs are forward funded with the exception of Tribally Controlled Postsecondary Vocational Institutions.

STUDENT FINANCIAL ASSISTANCE					
Federal Pell Grants: Regular program	4,914,000	5,919,000	5,342,000	+ 428,000	-577,000
Memo (non-add): Maximum grant	(2,470)	(2,700)	(2,500)	(+ 30)	(-200)
Memo (non-add): Outlay effect for FY97 1/	(1,301,000)	(1,320,000)	(1,180,000)	(-121,000)	(-140,000)
Federal supplemental educational opportunity grants	583,407	583,407	583,407	.....	.....
Federal work-study	616,508	679,000	685,000	+ 68,492	+ 6,000
Federal Perkins loans:					
Capital contributions	93,297	158,000	.....	-93,297	-158,000
Loan cancellations	20,000	20,000	20,000	.....	.....
Subtotal, Federal Perkins loans	113,297	178,000	20,000	-93,297	-158,000
State student incentive grants	31,375	.....	.....	-31,375	.....
Total, Student financial assistance	6,258,587	7,359,407	6,630,407	+ 371,820	-729,000

1/ The 1996 appropriation capped participation in the 1995-1996 school year at 3,650,000 students.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
FEDERAL FAMILY EDUCATION LOANS PROGRAM					
(EXISTING GUARANTEED STUDENT LOANS PROGRAM)					
Federal education loans: Federal administration	29,977	46,572	29,977	.....	-16,595
Total Outstanding Loan Volume as of 10/96 (non-add) ..	(71,400,000)	(71,400,000)	(71,400,000)	.....	.....
FEDERAL DIRECT STUDENT LOAN PROGRAM					
Mandatory administrative costs (indefinite)	(435,652)	(595,000)	(420,000)	(-15,652)	(-175,000)
Total Outstanding Loan Volume as of 10/96 (non-add) ..	(12,200,000)	(12,200,000)	(12,200,000)	.....	.....
HIGHER EDUCATION					
Aid for institutional development:					
Strengthening institutions	55,450	40,000	55,450	.....	+15,450
Hispanic serving institutions	10,800	12,000	10,800	.....	-1,200
Hispanic serving institutions (Agriculture bill) .....	.....	.....	(2,000)	(+2,000)	(+2,000)
Subtotal, Hispanic serving institutions	(10,800)	(12,000)	(12,800)	(+2,000)	(+800)

Strengthening historically black colleges & univ.....	108,990	108,990	108,990	.....	.....	.....
Strengthening historically black grad institutions.....	19,606	19,606	19,606	.....	.....	.....
Endowment challenge grants, HBCU set-aside .....	.....	2,015	.....	.....	.....	-2,015
Subtotal, Institutional development	194,846	182,611	194,846	.....	.....	+12,235
Program development:						
Fund for the Improvement of Postsecondary Educ	15,000	18,000	15,000	.....	.....	-3,000
Minority teacher recruitment.....	2,212	2,458	2,212	.....	.....	-246
Minority science improvement.....	5,255	5,839	5,255	.....	.....	-584
International educ & foreign language studies:						
Domestic programs	50,481	52,283	53,481	.....	+3,000	+1,198
Overseas programs.....	4,750	5,790	4,750	.....	.....	-1,040
Institute for International Public Policy	920	1,000	.....	.....	-920	-1,000
Subtotal, International education	56,151	59,073	58,231	.....	+2,080	-842
Law school clinical experience	5,500	.....	.....	.....	-5,500	.....
Urban community service.....	9,200	.....	8,280	.....	-920	+8,280
Subtotal, Program development.....	93,318	85,370	88,978	.....	-4,340	+3,608

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Construction:					
Interest subsidy grants, prior year construction.....	16,712	15,673	15,673	-1,039	.....
Special grants and grants to institutions:					
Bethune Cookman College Fine Arts Center	3,680	.....	.....	-3,680	.....
Federal TRIO programs	462,993	500,000	500,000	+37,007	.....
Early intervention scholarships and partnerships.....	3,108	.....	.....	-3,108	.....
Scholarships:					
Byrd honors scholarships.....	29,117	29,117	.....	-29,117	-29,117
Presidential honors scholarships 1/ .....	.....	130,000	.....	.....	-130,000
Subtotal, Scholarships.....	29,117	159,117	.....	-29,117	-159,117
Graduate fellowships:					
Javits fellowships.....	5,931	.....	.....	-5,931	.....
Graduate assistance in areas of national need	27,252	30,000	30,000	+2,748	.....
Subtotal, Graduate fellowships.....	33,183	30,000	30,000	-3,183	.....
Total, Higher education.....	836,957	972,771	829,497	-7,460	-143,274

1/ This new unauthorized program is proposed for transmittal in late June.

HOWARD UNIVERSITY					
Academic program	152,859	162,944	157,859	+ 5,000	-5,085
Endowment	29,489	3,530	29,489		-3,530
Howard University Hospital		29,489			
Total, Howard University	182,348	195,963	187,348	+ 5,000	-8,615
COLLEGE HOUSING & ACADEMIC FACILITIES					
LOANS PROGRAM: Federal administration	698	700	698		-2
HISTORICALLY BLACK COLLEGE AND					
UNIVERSITY CAPITAL FINANCING PROGRAM					
Federal administration	166	104	104	-62	
EDUCATION RESEARCH, STATISTICS,					
AND IMPROVEMENT					
Research and statistics:					
Research	56,021	108,000	72,641	+ 16,620	-35,359
Regional education laboratories	51,000		51,000		+ 51,000
Statistics	46,227	50,000	50,000	+ 3,773	
Assessment:					
National assessment	29,752	29,750	29,752		+ 2
National assessment governing board	2,871	3,000	2,871		-129
Subtotal, Assessment	32,623	32,750	32,623		-127
Subtotal, Research and statistics	185,871	190,750	206,264	+ 20,393	+ 15,514

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Fund for the Improvement of Education		40,000	40,000	+ 2,389	.....
International education exchange (title VI)	37,611	3,000	3,000	-2,000	.....
21st century community learning centers	750	.....	.....	-750	.....
Civic Education	4,000	4,000	4,000	.....	.....
Eisenhower professional development national activities. Eisenhower regional mathematics & science education consortia	17,984	15,000	.....	-17,984	-15,000
Javits gifted and talented education	15,000	15,000	15,000	.....	.....
National writing project	3,000	10,000	3,000	.....	-7,000
.....	2,955	.....	.....	-2,955	.....
Education technology:					
Technology for education	48,000	325,000	48,000	.....	-277,000
Star schools	23,000	25,000	.....	-23,000	-25,000
Ready to learn television	6,440	7,000	.....	-6,440	-7,000
Telecommunications demo project for mathematics	1,035	.....	.....	-1,035	.....
Subtotal, Education technology	78,475	357,000	48,000	-30,475	-309,000
Total, ERSI	350,646	634,750	319,264	-31,382	-315,486

LIBRARIES					
Public libraries:					
Services.....	92,636	.....	92,636	.....	+ 92,636
Construction	16,369	.....	.....	-16,369	.....
Interlibrary cooperation.....	18,000	.....	11,864	-6,136	+ 11,864
Library education and training.....	2,500	.....	2,500	.....	+ 2,500
Research and demonstrations	3,000	.....	1,000	-2,000	+ 1,000
Undistributed 1/.....	.....	110,000	.....	.....	-110,000
Total, Libraries	132,505	110,000	108,000	-24,505	-2,000
DEPARTMENTAL MANAGEMENT					
PROGRAM ADMINISTRATION.....	326,686	355,476	320,152	-6,534	-35,324
HEADQUARTERS RENOVATION 2/	7,000	.....	.....	-7,000	.....
OFFICE FOR CIVIL RIGHTS.....	55,277	60,000	54,171	-1,106	-5,829
OFFICE OF THE INSPECTOR GENERAL	28,563	30,500	27,143	-1,420	-3,357
Total, Departmental management.....	417,526	445,976	401,466	-16,060	-44,510
Total, Department of Education.....	25,230,349	28,034,009	25,230,798	+ 449	-2,803,211

1/ The President has not requested funding for library programs, but has indicated his intention to do so at a future time.

2/ Funds available for 3 years.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
TITLE IV - RELATED AGENCIES					
ARMED FORCES RETIREMENT HOME					
Operation and maintenance (trust fund limitation)	53,829	55,772	52,752	-1,077	-3,020
Capital program (trust fund limitation)	1,954	432	432	-1,522	.....
Total, AFRH	55,783	56,204	53,184	-2,599	-3,020
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE					
Domestic Volunteer Service Programs (formerly Action):					
Volunteers in Service to America:					
VISTA operations	41,235	51,600	41,235	.....	-10,365
National Senior Volunteer Corps:					
Foster Grandparents Program	62,237	72,812	65,889	+ 3,652	-6,923
Senior Companion Program	31,155	34,244	31,244	+ 89	-3,000
Retired Senior Volunteer Program	34,949	37,708	35,708	+ 759	-2,000
Subtotal, Senior Volunteers	128,341	144,764	132,841	+ 4,500	-11,923
Program Administration	28,541	29,745	27,970	-571	-1,775
Total, Domestic Volunteer Service Programs	198,117	226,109	202,046	+ 3,929	-24,063

Corporation for Public Broadcasting:					
FY99 (current request) with FY98 comparable	250,000	275,000	250,000	.....	-25,000
1998 advance (non-add) with FY97 comparable	(260,000)	(250,000)	(250,000)	(-10,000)	.....
1997 advance (non-add) with FY96 comparable	(275,000)	(260,000)	(260,000)	(-15,000)	.....
Federal Mediation and Conciliation Service	32,815	32,579	32,579	-236	.....
Federal Mine Safety and Health Review Commission	6,184	6,332	6,060	-124	-272
National Commission on Libraries and Information Science	829	897	812	-17	-85
National Council on Disability	1,793	1,793	1,757	-36	-36
National Education Goals Panel	994	2,785	974	-20	-1,811
National Labor Relations Board	170,266	181,134	144,692	-25,574	-36,442
National Mediation Board	7,812	8,300	7,656	-156	-644
Occupational Safety and Health Review Commission	8,081	7,753	7,753	-328	.....
Physician Payment Review Commission (trust funds)	(2,920)	(4,000)	(2,920)	.....	(-1,080)
Prospective Payment Assessment Commission (trust funds)	(3,263)	(3,902)	(3,263)	.....	(-639)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
RAILROAD RETIREMENT BOARD					
Dual benefits payments account	239,000	223,000	223,000	-16,000	.....
Less income tax receipts on dual benefits.....	-17,000	-9,000	-9,000	+ 8,000	.....
Subtotal, Dual Benefits.....	222,000	214,000	214,000	-8,000	.....
Federal payment to the Railroad Retirement Account.....	300	300	300	.....	.....
Limitation on administration:					
Consolidated account .....	.....	(90,558)	(87,898)	(+ 87,898)	(-2,660)
Retirement	(72,955)	.....	.....	(-72,955)	.....
Unemployment.....	(16,737)	.....	.....	(-16,737)	.....
Subtotal, administration	(89,692)	(90,558)	(87,898)	(-1,794)	(-2,660)
Special management improvement fund.....	(657)	.....	.....	(-657)	.....
Total, limitation on administration.....	(90,349)	(90,558)	(87,898)	(-2,451)	(-2,660)
Inspector General	(5,656)	(5,750)	(5,268)	(-388)	(-482)

SOCIAL SECURITY ADMINISTRATION					
PAYMENTS TO SOCIAL SECURITY TRUST FUNDS	22,641	20,923	20,923	-1,718	.....
ADDITIONAL ADMINISTRATIVE EXPENSES 1/...	10,000	10,000	10,000	.....	.....
SPECIAL BENEFITS FOR DISABLED COAL MINERS					
Benefit payments.....	660,215	625,450	625,450	-34,765	.....
Administration.....	5,181	4,620	4,620	-561	.....
Subtotal, Black Lung, FY 1997 program level.....	665,396	630,070	630,070	-35,326	.....
Less funds advanced in prior year.....	-180,000	-170,000	-170,000	+ 10,000	.....
Total, Black Lung, current request, FY 1997	485,396	460,070	460,070	-25,326	.....
New advances, 1st quarter FY 1997 / 1998.....	170,000	160,000	160,000	-10,000	.....

1/ No-year availability for these funds related to sections 9704 & 9706 of the Internal Revenue Code of 1986.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
SUPPLEMENTAL SECURITY INCOME					
Federal benefit payments.....	23,548,636	26,559,100	26,559,100	+ 3,010,464	.....
Beneficiary services	176,400	179,000	100,000	-76,400	-79,000
Research and demonstration	8,200	7,000	7,000	-1,200	.....
Administration 1/.....	1,817,276	2,018,973	1,961,015	+143,739	-57,958
Automation investment initiative.....	55,000	104,927	55,000	.....	-49,927
Subtotal, SSI FY 1997 program level.....	25,605,512	28,869,000	28,682,115	+ 3,076,603	-186,885
Less funds advanced in prior year.....	-7,060,000	-9,260,000	-9,260,000	-2,200,000	.....
Subtotal, regular SSI current year, FY 1996 / 1997 ...	18,545,512	19,609,000	19,422,115	+ 876,603	-186,885
Additional CDR funding.....	15,000	260,000	25,000	+ 10,000	-235,000
SSI reforms (welfare) .....	.....	250,000	.....	.....	-250,000
Total, SSI, current request, FY 1996 / 1997	18,560,512	20,119,000	19,447,115	+ 886,603	-671,885
New advance, 1st quarter, FY 1997 / 1998	9,260,000	9,690,000	9,690,000	+ 430,000	.....

1/ Figures include amounts for the SSI disability initiative previously displayed as a separate line item.

LIMITATION ON ADMINISTRATIVE EXPENSES					
OASDI trust funds.....	(2,667,238)	(2,835,077)	(3,091,183)	(+ 423,945)	(+ 256,106)
HI/SMI trust funds.....	(864,099)	(918,418)	(846,099)	(-18,000)	(-72,319)
SSI.....	(1,817,276)	(2,018,973)	(1,961,015)	(+ 143,739)	(-57,958)
Social Security Advisory Board.....	.....	.....	(1,500)	(+ 1,500)	(+ 1,500)
Subtotal, regular LAE.....	(5,348,613)	(5,772,468)	(5,899,797)	(+ 551,184)	(+ 127,329)
DI disability initiative.....	(289,322)	.....	.....	(-289,322)	.....
OASDI automation.....	(112,000)	(195,073)	(195,073)	(+ 83,073)	.....
SSI automation.....	(55,000)	(104,927)	(55,000)	.....	(-49,927)
Subtotal, automation initiative.....	(167,000)	(300,000)	(250,073)	(+ 83,073)	(-49,927)
TOTAL, REGULAR LAE.....	(5,804,935)	(6,072,468)	(6,149,870)	(+ 344,935)	(+ 77,402)
Additional CDR funding.....	(60,000)	(260,000)	(160,000)	(+ 100,000)	(-100,000)
SSI reforms (welfare).....	.....	(250,000)	.....	.....	(-250,000)
TOTAL, LAE.....	(5,864,935)	(6,582,468)	(6,309,870)	(+ 444,935)	(-272,598)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
OFFICE OF INSPECTOR GENERAL					
Federal funds	4,801	6,335	6,335	+ 1,534	.....
Trust funds	(10,037)	(21,089)	(21,089)	(+ 11,052)	.....
Portion treated as budget authority	(10,977)	.....	.....	(-10,977)	.....
Total, Office of the Inspector General:					
Federal funds	4,801	6,335	6,335	+ 1,534	.....
Trust funds	(21,014)	(21,089)	(21,089)	(+ 75)	.....
Total	(25,815)	(27,424)	(27,424)	(+ 1,609)	.....
Total, Social Security Administration:					
Federal funds	28,513,350	30,466,328	29,794,443	+ 1,281,093	-671,885
Current year FY 1996 / 1997	(19,083,350)	(20,616,328)	(19,944,443)	(+ 861,093)	(-671,885)
New advances, 1st quarter FY 1997 / 1998	(9,430,000)	(9,850,000)	(9,850,000)	(+ 420,000)	.....
Trust funds	(5,885,949)	(6,603,557)	(6,330,959)	(+ 445,010)	(-272,598)
Trust funds considered BA	(875,076)	(918,418)	(846,099)	(-28,977)	(-72,319)

United States Institute of Peace.....	11,160	11,160	11,160	-321	.....
Total, Title IV, Related Agencies:					
Federal Funds (all years)	29,479,805	31,490,674	30,727,416	+ 1,247,611	-763,258
Current year, FY 1996 / 1997	(19,799,805)	(21,365,674)	(20,627,416)	(+ 827,611)	(-738,258)
FY 1997 / 1998	(9,430,000)	(9,850,000)	(9,850,000)	(+ 420,000)	.....
FY 1998 / 1999	(250,000)	(275,000)	(250,000)	.....	(-25,000)
Trust funds	(5,988,137)	(6,707,767)	(6,430,308)	(+ 442,171)	(-277,459)
Trust funds considered BA.....	(977,264)	(1,022,628)	(945,448)	(-31,816)	(-77,180)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
SUMMARY					
Title I - Department of Labor:					
Federal Funds.....	7,976,741	9,059,601	7,973,792	-2,949	-1,085,809
Trust Funds.....	(3,380,133)	(3,674,428)	(3,506,833)	(+ 126,700)	(-167,595)
Title II - Department of Health and Human Services:					
Federal Funds.....	197,401,625	220,767,907	218,869,514	+ 21,467,889	-1,898,393
Current year.....	(166,446,275)	(185,967,914)	(185,069,521)	(+ 18,623,246)	(-898,393)
1998 advance.....	(30,955,350)	(34,799,993)	(33,799,993)	(+ 2,844,643)	(-1,000,000)
Trust Funds.....	(2,154,893)	(2,240,547)	(1,742,290)	(-412,603)	(-498,257)
Title III - Department of Education:					
Federal Funds.....	25,230,349	28,034,009	25,230,798	+ 449	-2,803,211
Title IV - Related Agencies:					
Federal Funds.....	29,479,805	31,490,674	30,727,416	+ 1,247,611	-763,258
Current year.....	(19,799,805)	(21,365,674)	(20,627,416)	(+ 827,611)	(-738,258)
1998 advance.....	(9,430,000)	(9,850,000)	(9,850,000)	(+ 420,000)	.....
1999 advance.....	(250,000)	(275,000)	(250,000)	.....	(-25,000)
Trust Funds.....	(5,988,137)	(6,707,767)	(6,430,308)	(+ 442,171)	(-277,459)

Total, all titles:					
Federal Funds.....	260,088,520	289,352,191	282,801,520	+ 22,713,000	-6,550,671
Current year	(219,453,170)	(244,427,198)	(238,901,527)	(+ 19,448,357)	(-5,525,671)
1998 advance.....	(40,385,350)	(44,649,993)	(43,649,993)	(+ 3,264,643)	(-1,000,000)
1999 advance.....	(250,000)	(275,000)	(250,000)	.....	(-25,000)
Trust Funds.....	(11,523,163)	(12,622,742)	(11,679,431)	(+ 156,268)	(-943,311)
BUDGET ENFORCEMENT ACT RECAP					
Federal Funds (all years)	260,088,520	289,352,191	282,801,520	+ 22,713,000	-6,550,671
Mandatory, total in bill	202,222,040	223,293,463	222,894,463	+ 20,672,423	-399,000
Less advances for subsequent years	-40,385,350	-43,649,993	-43,649,993	-3,264,643	.....
Plus advances provided in prior years 1/.....	38,687,717	40,385,350	40,385,350	+ 1,697,633	.....
Adjustment for leg cap on Title XX SSBGs	419,000	.....	320,000	-99,000	+ 320,000
Education: Rehab services, tech assistance .....	.....	39,249	.....	.....	-39,249
Total, mandatory, current year	200,943,407	220,068,069	219,949,820	+ 19,006,413	-118,249
Discretionary, total in bill	57,866,480	66,058,728	59,907,057	+ 2,040,577	-6,151,671
Less advances for subsequent years	-250,000	-1,275,000	-250,000	.....	+ 1,025,000
Plus advances provided in prior years	1,274,997	260,000	260,000	-1,014,997	.....
Scorekeeping adjustments:					
Trust funds considered budget authority.....	6,500,730	6,924,503	6,057,868	-442,862	-866,635
Education advance funding, FY 1997	-1,298,239	1,298,239	1,298,239	+ 2,596,478	.....
Education advance funding, FY 1998 .....	.....	.....	-1,298,239	-1,298,239	-1,298,239
P.L. 104-121 funding.....	.....	-25,000	-25,000	-25,000	.....
LIHEAP 1997 contingency.....	.....	300,000	300,000	+ 300,000	.....

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**
[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Howard University .....	.....	2	.....	.....	-2
Education: Rehab services, tech assistance .....	.....	-39,249	.....	.....	+ 39,249
Adjustment to balance with FY96 bill	-27,687	.....	.....	+ 27,687	.....
HEAL loan limitation	-6,983	.....	.....	+ 6,983	.....
Direct loan administration limitation	-114,000	.....	-269,000	-155,000	-269,000
JOBS rescission	-10,000	.....	.....	+ 10,000	.....
Dept of Labor working capital fund	3,900	.....	.....	-3,900	.....
Advances to the ESA account of the Unempl TF	-56,300	.....	.....	+ 56,300	.....
Payments to UI trust fund & other funds	-266,000	.....	.....	+ 266,000	.....
Adjustment for leg cap on Title XX SSBGs	-419,000	.....	-320,000	+ 99,000	-320,000
Medicaid psychiatric hospitals	50,000	.....	.....	-50,000	.....
Total, discretionary, current year	63,247,898	73,502,223	65,660,925	+ 2,413,027	-7,841,298
Crime trust fund	53,000	90,381	61,000	+ 8,000	-29,381
General purposes	63,194,898	73,411,842	65,599,925	+ 2,405,027	-7,811,917
Grand total, current year	264,191,305	293,570,292	285,610,745	+ 21,419,440	-7,959,547

DISTRIBUTION OF BILL TOTALS BY AGENCY (BUDGET ENFORCEMENT ACT SCOREKEEPING)					
Title I - Department of Labor	7,976,741	9,059,601	7,973,792	-2,949	-1,085,809
Trust funds considered budget authority	3,368,573	3,661,328	3,370,130	+1,557	-291,198
Total.....	11,345,314	12,720,929	11,343,922	-1,392	-1,377,007
Mandatory	1,930,462	1,918,500	1,918,500	-11,962	.....
Discretionary	6,046,279	7,141,101	6,055,292	+9,013	-1,085,809
Trust funds considered budget authority.....	3,368,573	3,661,328	3,370,130	+1,557	-291,198
Dept of Labor working capital fund	3,900	.....	.....	-3,900	.....
Subtotal, discretionary	9,418,752	10,802,429	9,425,422	+6,670	-1,377,007
Total, 602(b) scorekeeping	11,349,214	12,720,929	11,343,922	-5,292	-1,377,007

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**

[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Title II - Dept of Health & Human Services					
Prior year advances.....	166,446,275	185,967,914	185,069,521	+ 18,623,246	-898,393
Trust funds considered budget authority	32,447,717	30,955,350	30,955,350	-1,492,367	.....
	2,154,893	2,240,547	1,742,290	-412,603	-498,257
Total.....	201,048,885	219,163,811	217,767,161	+ 16,718,276	-1,396,650
Mandatory.....	140,294,672	157,275,239	156,955,239	+ 16,660,567	-320,000
Prior year advances	31,447,717	30,955,350	30,955,350	-492,367	.....
Adjustment for leg cap on Title XX SSBGs	419,000	.....	320,000	-99,000	+ 320,000
Subtotal, mandatory.....	172,161,389	188,230,589	188,230,589	+ 16,069,200	.....
Discretionary	26,151,603	28,692,675	28,114,282	+ 1,962,679	-578,393
Prior year advances	999,997	.....	.....	-999,997	.....
Trust funds considered budget authority.....	2,154,893	2,240,547	1,742,290	-412,603	-498,257
HEAL loan limitation	-6,983	.....	.....	+ 6,983	.....
Adjustment for leg cap on Title XX SSBGs	-419,000	.....	-320,000	+ 99,000	-320,000
LIHEAP 1997 contingency.....	.....	300,000	300,000	+ 300,000	.....
Subtotal, discretionary.....	28,880,510	31,233,222	29,836,572	+ 956,062	-1,396,650
Total, 602(b) scorekeeping	201,041,899	219,463,811	218,067,161	+ 17,025,262	-1,396,650

Title III - Department of Education.....	25,230,349	28,034,009	25,230,798	+ 449	-2,803,211
Mandatory.....	2,419,983	2,473,338	2,473,338	+ 53,355	.....
Education: Rehab services, tech assistance.....	.....	39,249	.....	.....	-39,249
Subtotal, mandatory.....	2,419,983	2,512,587	2,473,338	+ 53,355	-39,249
Discretionary.....	22,810,366	25,560,671	22,757,460	-52,906	-2,803,211
Education advance funding, FY 1997.....	-1,298,239	1,298,239	1,298,239	+ 2,596,478	.....
Education advance funding, FY 1998.....	.....	.....	-1,298,239	-1,298,239	-1,298,239
Education: Rehab services, tech assistance.....	.....	-39,249	.....	.....	+ 39,249
Subtotal, discretionary.....	21,512,127	26,819,661	22,757,460	+ 1,245,333	-4,062,201
Total, 602(b) scorekeeping.....	23,932,110	29,292,999	25,230,798	+ 1,298,688	-4,062,201

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1996 AND
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1997—Continued**

[In thousands of dollars]

Agency and item	FY 1996 comparable	FY 1997 Budget	Recommended in bill	Bill compared with 1996 comparable	Bill compared with 1997 Budget
Title IV - Related Agencies					
Prior year advances.....	19,799,805	21,365,674	20,627,416	+ 827,611	-738,258
Trust funds considered budget authority	7,515,000	9,690,000	9,690,000	+2,175,000	.....
	977,264	1,022,628	945,448	-31,816	-77,180
Total.....					
	28,292,069	32,078,302	31,262,864	+ 2,970,795	-815,438
Mandatory.....					
	17,191,573	17,976,393	17,897,393	+ 705,820	-79,000
Prior year advances					
	7,240,000	9,430,000	9,430,000	+2,190,000	.....
Subtotal, mandatory.....					
	24,431,573	27,406,393	27,327,393	+ 2,895,820	-79,000
Discretionary					
	2,608,232	3,389,281	2,730,023	+ 121,791	-659,258
Prior year advances					
	275,000	260,000	260,000	-15,000	.....
Trust funds considered budget authority.....	977,264	1,022,628	945,448	-31,816	-77,180
P.L. 104-121 funding.....	.....	-25,000	-25,000	-25,000	.....
Subtotal, discretionary.....					
	3,860,496	4,646,909	3,910,471	+ 49,975	-736,438
Total, 602(b) scorekeeping.....					
	28,292,069	32,053,302	31,237,864	+ 2,945,795	-815,438

	-2	
Howard University	+27,687	-269,000
Adjustment to balance with FY96 bill.....	-155,000	-269,000
Direct loan administration limitation.....	-50,000	-269,000
Medicaid psychiatric hospitals.....	+10,000	-269,000
JOBES rescission	+56,300	-269,000
Advances to the ESA account of the Unempl TF....	+266,000	-269,000
Payments to UI trust fund & other funds		
Total, current year, all titles	+21,419,440	-7,959,547
Mandatory	+17,308,780	-118,249
Prior year advances	+1,697,633	-118,249
Subtotal, mandatory, current year.....	+19,006,413	-118,249
Discretionary	+3,870,886	-6,974,663
Prior year advances	-1,014,997	-6,974,663
Trust funds considered budget authority	-442,862	-866,635
Subtotal, discretionary current year.....	+2,413,027	-7,841,298

ADDITIONAL VIEWS OF HON. NITA LOWEY

The same day that the Labor, HHS, and Education Appropriations bill was being marked up by the Full Committee, the GAO released a report about the condition of America's schools. The GAO report confirmed the worst: America's schools are literally falling down. 31% of our nation's school systems reported inadequate buildings and over 66% reported an inadequate environment for learning.

In New York City, half of all children attend classes in buildings which are over 55 years old. Over one-third of all New York City school roofs need replacement and most of these schools have their original and outmoded plumbing and wiring. Roof and wall leaks are commonplace.

Poor school infrastructure is not a problem confined to urban areas. 30% of schools in rural areas are reportedly inadequate as well.

We simply cannot prepare America's children for the 21st century in 19th century schools. Students cannot learn when the walls of their classrooms are crumbling down around them. We can't teach computer technology next to coal burning boilers.

Some say that the federal government should not get involved in school infrastructure because it is a local and state issue. However, I believe that the physical condition of our schools is a national crisis which the federal government simply can not ignore. Local school districts are overwhelmed. The local tax base can not keep up with routine maintenance costs—let alone the costs of upgrading schools for 21st century learning, or easing overcrowding. Local bond issues fail regularly.

We provide Title I funds to schools to improve math and English proficiency, yet the physical conditions which many Title I children are forced to endure day-in and day-out create a barrier to learning.

We can only address the abysmal condition of our nation's schools with the concerted effort of all levels of government. I will continue to work to find a viable role for the federal government in improving the condition of our schools. We live in the wealthiest nation on the earth. Our children should not be asked to learn in decrepit, overcrowded, dangerous buildings.

NITA LOWEY.

DISSENTING VIEWS OF HON. DAVID OBEY, HON. LOUIS
STOKES, HON. STENY HOYER, HON. NANCY PELOSI, AND
HON. NITA LOWEY

It is no secret that the Majority party and the Minority have fundamental disagreements on what the priorities for the country should be. Democrats believe that we should put our families first. We believe that families have to work too hard just to make ends meet, educate their kids, and save for retirement. The programs funded in this bill play a crucial role in providing educational opportunity and training in job-related skills, making child care available for working families, preserving the health, safety and collective bargaining rights of workers, protecting pensions and retirement savings, and nurturing our most vulnerable senior citizens.

In contrast, House Republicans seem to be waging a war on our nation's children and students, working class Americans, and our senior citizens in this bill. Last year, strident Majority insistence on slashing the Labor-HHS-Education bill by \$7 billion led to an 18-month stalemate over passage of the 1996 Labor-HHS-Education bill. Ultimately, the Republican Majority retreated from its full scale attack, and 90 percent of the proposed cuts in education, 62 percent of the cuts in job training, and 75 percent of the cuts in worker protection were restored at the insistence of the White House and Congressional Democrats.

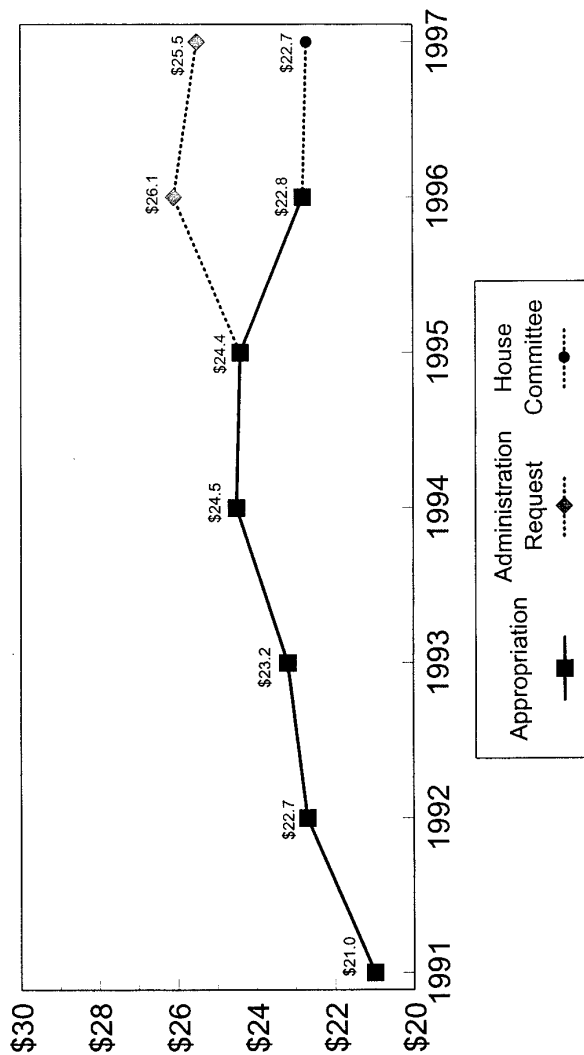
We fervently believe that we must maintain Federal support for local schools and work to expand access to postsecondary education and job training. Yet, House Republicans continue to move in exactly the opposite direction. Last year, the President was reluctant to sign any appropriations bill until these education and training priorities were addressed. Nevertheless, the Majority party is headed down this same road again with this bill.

Despite the assertions of the Majority to the contrary, the \$65.6 billion in discretionary resources in the FY1997 Labor-HHS-Education Appropriations Bill is inadequate to fund education and training programs at the levels agreed to in the 1996 bill, much less at the increased levels requested in the Clinton budget. In total, the bill provides \$22.75 billion in discretionary funding for the Department of Education for fiscal year 1997, a net reduction of \$53 million below the 1996 level and \$2.8 billion or 11 percent below the President's request. This net total for the Department of Education, however, masks significant cuts in funding for local schools. For elementary and secondary education programs, the bill provides \$14.0 billion, a reduction of \$400 million or 3 percent below the 1996 level and \$1.8 billion or 12 percent below the President's request.

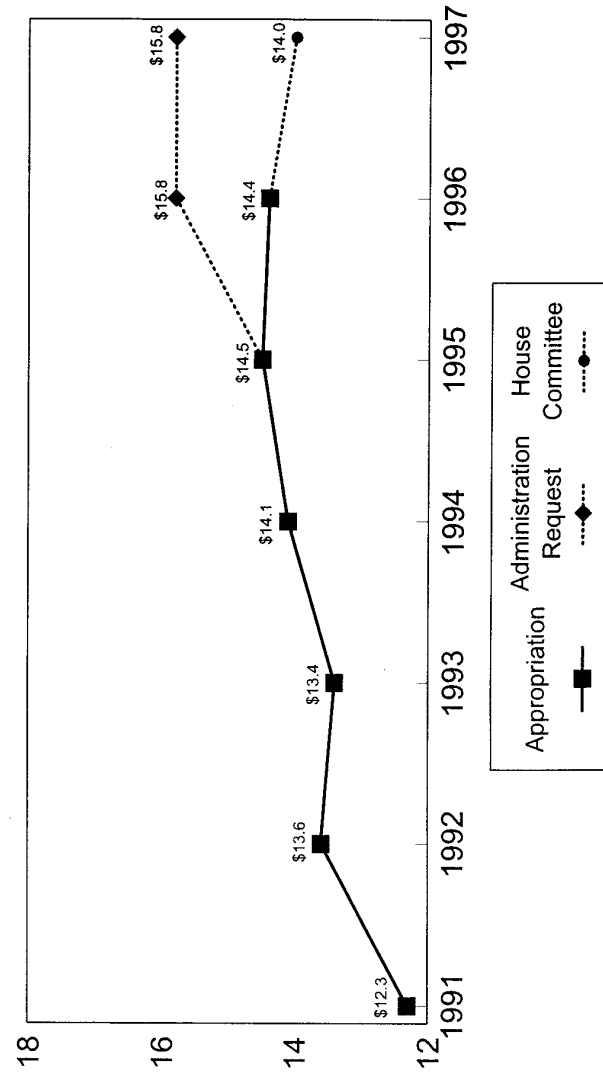
ED DISCRETIONARY FUNDS

FY 1991 - 1997

(In billions, nominal dollars)



Elementary and Secondary Education Funding FY 1991 - 1997 (In billions, nominal dollars)



Moreover, the Republican Majority picks a fight with the President by eliminating priority programs like the Goals 2000 initiative, the Eisenhower teacher training program and Perkins student loans, and underfunding the administration of the student loan programs. In total, this bill is \$5.5 billion below the President's request.

In total, the bill provides \$9.4 billion in discretionary funding for the Department of Labor for fiscal year 1997, essentially the same level as 1996. However, this is \$610 million below what is needed to maintain last year's program levels and \$1.3 billion below the President's request—a 15 percent reduction in job training investments, a 13 percent reduction in worker protection programs, and an overall reduction of 12% below the President's request.

Discretionary funding for the Department of Health and Human Services is \$1.4 billion below the request and \$956 million over the 1996 level. Most of the increase over 1996 is accounted for by the \$820 million increase for the National Institutes of Health, which is \$371 million over the request. Many other areas of the HHS budget were left with minimal increases well below the levels requested by the President, including Head Start which is \$381 million below the request, the Social Services Block Grant which is \$320 million below the requested mandatory level, the Substance Abuse and Mental Health Services Administration which is \$249 million below the request, the Child Care and Development Block Grant which is \$99 million below the request, and CDC which is \$52 million below the request. Furthermore, there is a dangerous assumption that about \$495 million in discretionary spending for HCFA and the IG will be financed through provisions in pending health care legislation (HR 3103).

With the additional \$4 billion in resources available for non-defense domestic discretionary programs under the FY1997 budget resolution conference agreement, the Republican Majority had an opportunity to fashion a more generous 602(b) allocation for this bill that would have allowed this bill to move smoothly through the House this year. Instead, the additional resources went to other bills. As a result, the great difference between the Republican Majority and the White House on investing in education and training programs is simply too great to be bridged in this bill under this 602(b) allocation.

The White House has indicated that this bill is simply unacceptable. The President's senior advisors recommend a veto. We are simply heading down the same road as last year, a road that is much longer than it needs to be.

This bill does not make needed investments in education and training. Rather than expanding important programs as requested by the President, this bill will actually serve fewer individuals compared to the current program levels.

The bill cuts up to 15,000 Head Start slots compared to 1996, assuming the quality improvements we have strived to achieve are maintained. The President's request would have added 50,000 new slots.

The bill cuts over 150,000 Title 1 children compared to 1996. The President's budget would have supported nearly 450,000 additional Title 1 students.

The bill eliminates aid for 96,000 Perkins loan recipients. The President's budget would have assisted 151,000 more students than this bill.

The bill provides Pell grants to 107,000 fewer college students compared to the President's budget.

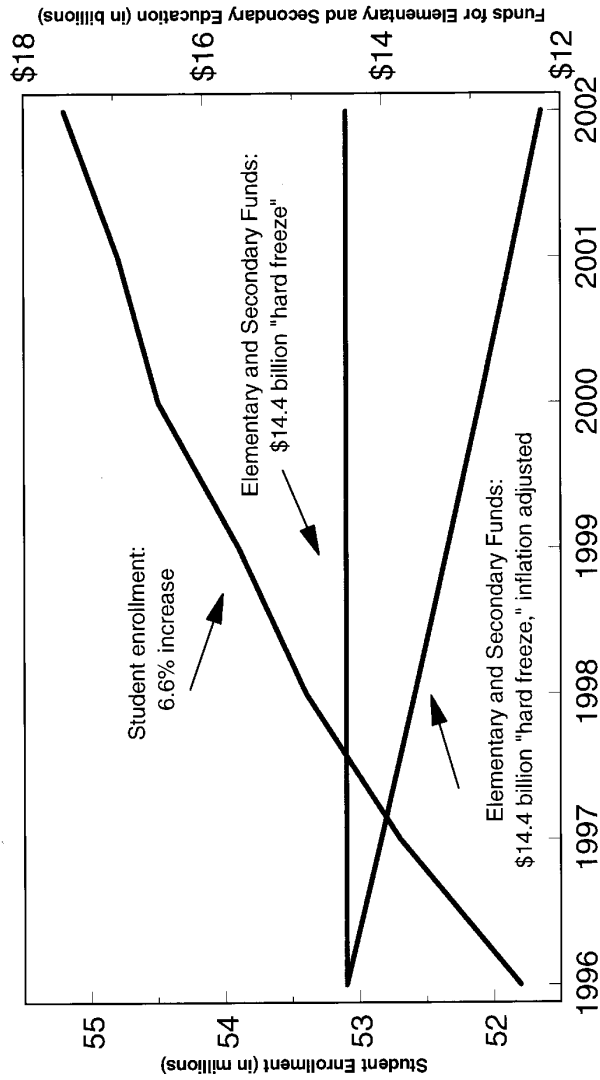
The bill provides JTPA adult training for 34,000 fewer disadvantaged adults than the President's budget.

The bill provides 79,000 fewer summer jobs for disadvantaged youth than will be available this summer. Many of these youth rely on summer earnings to buy books, clothes and supplies for school. The President's budget would have funded 132,000 more jobs than this bill.

The bill provides dislocated worker assistance to 32,000 fewer workers who lost their jobs due to corporate downsizing, base closings, technological change, and global competition. The President's budget would have assisted 81,000 more workers than this bill.

The more we invest in today's generation, the better equipped our nation will be to grow its way out of the national debt, fulfill our commitments to income security for all retirees, and sustain and improve our standard of living. Yet, local schools face an incredible challenge to meet the needs of a growing number of children in the face of declining Federal resources and stiff competition for state and local funding.

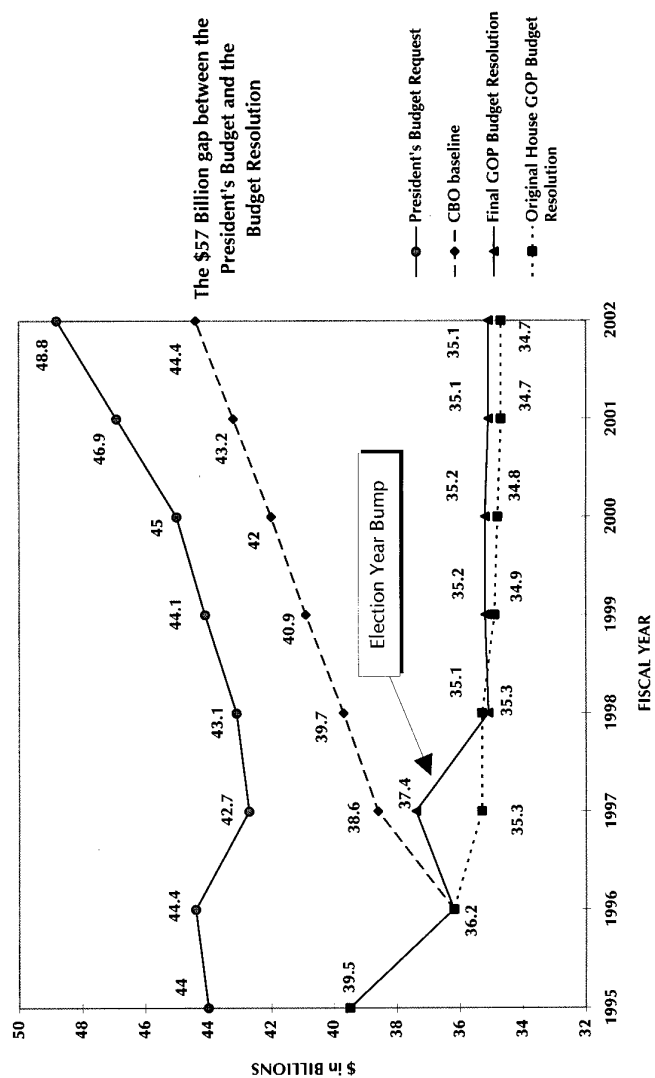
Elementary and Secondary School Enrollment with Department of Education Funds Frozen FY 1996 through FY 2002



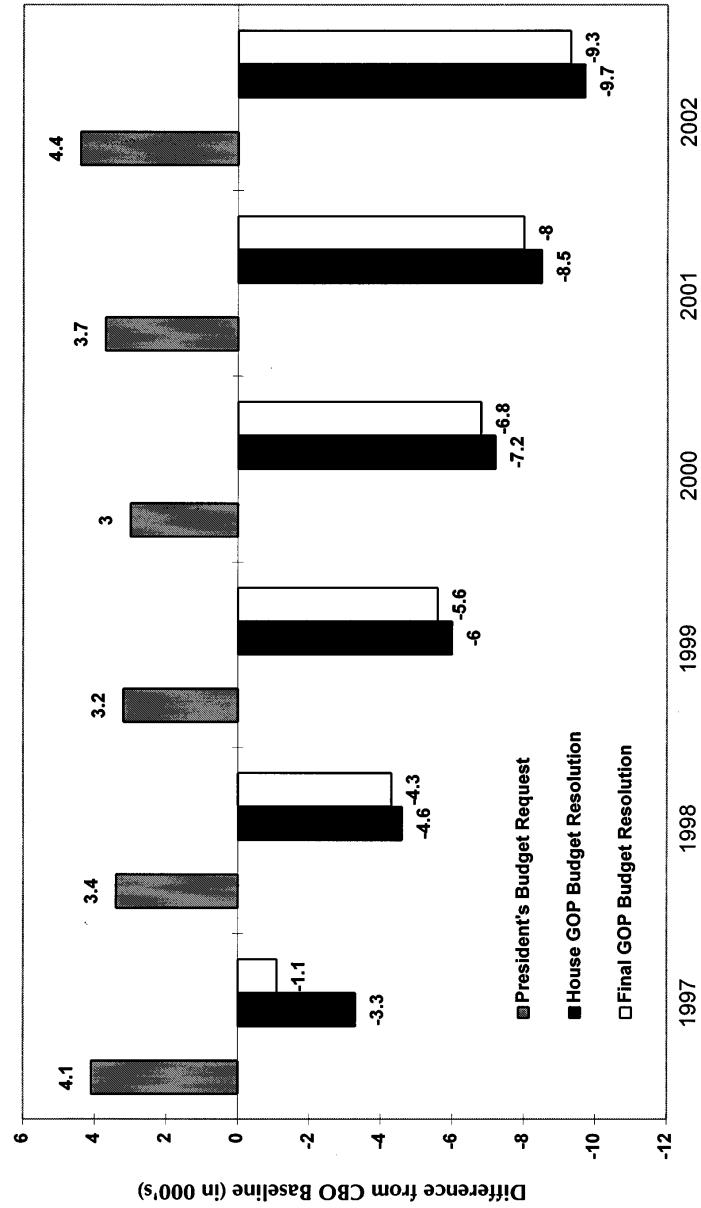
While House Republicans claim to freeze spending on education and training in the FY 1997 Republican budget resolution and in this bill, the reality is that they still have not learned. The Labor-HHS-Education bill continues a significant erosion in Federal support in education that is only a momentary retreat from last year's full scale attack.

In essence, what we are seeing this year is an election year cocoon which will be shed next year, when Republicans return to their real agenda of disinvesting in education and training. We need look no further than the conference agreement on the FY 1997 budget resolution to see what's in store. Any way you look at it, the budget resolution calls for real cuts in education and training. Although the agreement provides an "election year bump" where \$2.1 billion is added back in FY 1997 for education and training; overall, education and training still is cut \$35 billion below current services over six years. In total, the budget agreement provides \$57 billion less than the President's budget for education and training over six years.

FUNCTION 500: DISCRETIONARY EDUCATION AND TRAINING



FUNCTION 500: DISCRETIONARY EDUCATION AND TRAINING
 President's Request vs. GOP Budget Resolutions compared to CBO Baseline



In our minds, this back door, long term attack on education is not only wrong, it is tremendously shortsighted and unnecessary. It shortchanges our kids and our country's future.

Beyond education and job training, other key areas of the budget are also inadequate to meet the domestic needs of the nation. At a time when families are being squeezed between increasing costs of child care, health care and stagnant wages, the Majority has provided only slight increases in certain areas to help struggling and vulnerable families, and has not restored some of the deep cuts that were made in the 1996 appropriations bill. Funds have been significantly reduced below the President's request, or not provided at all, for important programs such as the Social Services Block Grant, the Healthy Start infant mortality initiative, child care, summer jobs, drug abuse prevention and treatment, and a new Opportunity Areas for Youth program.

The funding levels for programs that assist our nation's seniors is another area where the Majority fails to respond to the changing demographics of a rapidly growing elderly population. We have added over 2 million seniors in the last five years and we will see that growth rate turn up sharply after the turn of the century. This is no time for the Federal government to be backing away from its commitment to share the financial burden of providing essential services that enable seniors to remain in their homes and enjoy a higher quality of living. This bill underfunds the programs at the Administration on Aging that support a nationwide network of regional offices and State and Area Agencies; these aging agencies coordinate a broad array of services which are custom fit to the unique needs of local communities, seniors and their caregivers. The bill also does not provide sufficient funding for the Low Income Home Energy Assistance Program, and makes unwarranted changes in the allocation of funds in the Community Service Employment Program for Older Americans that will unnecessarily disrupt the lives of 8,000 seniors serving their communities in minimum wage jobs.

Again this year, the bill makes further cuts to important initiatives for America's 93 million working men and women in 6 million workplaces across the country. These programs promote workplace health and safety, ensure pension security, and ensure that employees have fair wages and adequate working conditions.

In subcommittee, we offered a series of amendments designed to correct some of the serious flaws in the bill and to add back needed funding for local schools, postsecondary education training, worker protection programs, vital children, and family and seniors programs. Each of these amendments was rejected by the Majority.

MAINTAINING THE FEDERAL COMMITMENT TO LOCAL SCHOOLS

Since Republicans took control of the Congress, we have witnessed an unprecedented assault by House Republicans on American education—an assault that most Americans strongly oppose. In 1995, the Republican-led Congress launched its assault on education by rolling back nearly \$650 million (2.5 percent) in education spending that Congress had already enacted in the fiscal year 1995 Labor-HHS-Education Appropriations Bill. That attack escalated into an 18-month frontal assault on education in the fiscal year

1996 Labor-HHS-Education in which Federal education appropriations would have been slashed by \$3.6 billion or 15 percent if Republicans had had their way. Fortunately, that frontal assault was repelled by strong opposition from the White House and Congressional Democrats. As a result, approximately 90 percent of the proposed reductions in elementary and secondary education cuts were restored in the 1996 bill.

Nevertheless, education programs have been cut by more than \$2.2 billion since the beginning of the Republican-led Congress and we continue to see an underfunded Federal contribution to local schools. This bill would cut local school aid by another \$400 million or 3 percent below 1996 levels. The Committee would provide \$1.8 billion or 12 percent less for education than requested by President Clinton in his fiscal year 1997 budget request.

Under the Republican-led Congress, the Department of Education's contribution to state and local school expenditures has fallen. In the 1994-95 school year—the school year just prior to Republican control of the Congress—Department of Education elementary and secondary programs contributed an amount equal to 5.6 percent of state and local expenditures for education. Under the Committee bill, the House Republican-led retreat from assisting local schools and students, the Department's contribution would fall further to only 4.7 percent of projected state and local education expenditures for the 1997-98 school year.

This drop in the Department of Education's proportionate contribution to local schools is bad enough. What makes the situation worse is that, since a large majority of the Federal aid is properly targeted on pupils who are disadvantaged, have a disability, or are from non-English speaking backgrounds, the decline in the Department's contribution affects primarily the States and localities with the greatest concentrations of such high-need children.

Accounting for all Federal expenditures, in 1992-93, the Federal government contributed an average of 6.9 percent to local schools; however, the Federal share was much higher in such high-need States as Mississippi (17.1 percent), New Mexico (12.6 percent), North Dakota (11.9 percent), Louisiana (11.7 percent), Alabama (11.6 percent), South Dakota (11.6 percent), Tennessee (10.3 percent), and Kentucky (10.1 percent). High-need schools are even more dependent on Federal aid. The 1991-92 Federal share of total education revenues was 34.0 percent for Gallup (N.M.), 24.6 percent for Biloxi (Miss.), 20.5 percent for Vernon parish (La.), 18.1 percent for Williamsburg county (S.C.), 17.2 percent for Harlan county (Ky.), 17.1 percent for East St. Louis (Ill.), 16.2 percent for Lawrence (Mass.), 15.1 percent for Phoenix Elementary (Ariz.), and 13.6 percent for Chicago (Ill.). When Federal education aid fails to grow sufficiently to meet increasing needs, States and localities such as these suffer the most severe consequences.

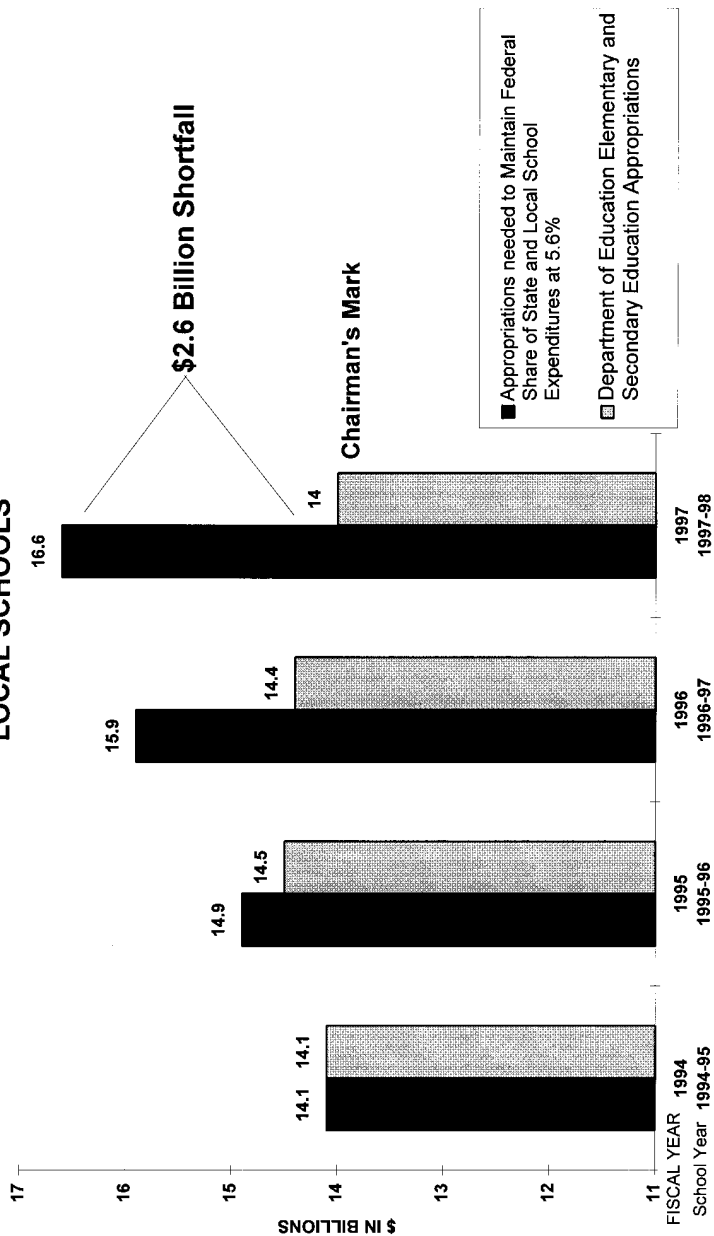
Often, these are also the localities with the fewest taxable resources to tap in an effort to make up for the failure of Federal funds to keep pace with growing pupil needs. At the same time, a long-term trend toward greater State-level provision of public education revenues is being reversed; the State share of public elementary and secondary education revenues has declined from 50 percent in the mid-1980's to approximately 45 percent currently. In

many States, public education has been losing the competition for scarce resources with other priorities such as corrections. Combined with a declining Federal share, this means that on average, localities are increasingly dependent on their own taxable resources, which vary widely. This leads to increased disparities in educational opportunities among different localities.

The House Republican-led cuts come at the worst possible time for local schools. Schools face sharp competition for resources from state and local sources. This budget squeeze at the state and local levels comes at the same time that Federal education aid to schools is declining in real terms, while school enrollment—and especially the number of high-need pupils—is increasing. This double jeopardy severely undermines the ability of schools to prepare this generation of students for global competition in the next century.

To meet these challenges, schools are working to increase student academic performance, provide more intensive services to kids with special needs, provide a safe and secure learning environment, and incorporate technology into the curriculum—all with fewer resources because of House Republican-led education cuts. The amendment offered by Congressman Hoyer in Subcommittee markup—and rejected by the Republican Majority—would have provided an additional \$2.6 billion needed to sustain the Federal contribution to local schools at the 5.6 percent share that existed prior to Republican control of the Congress.

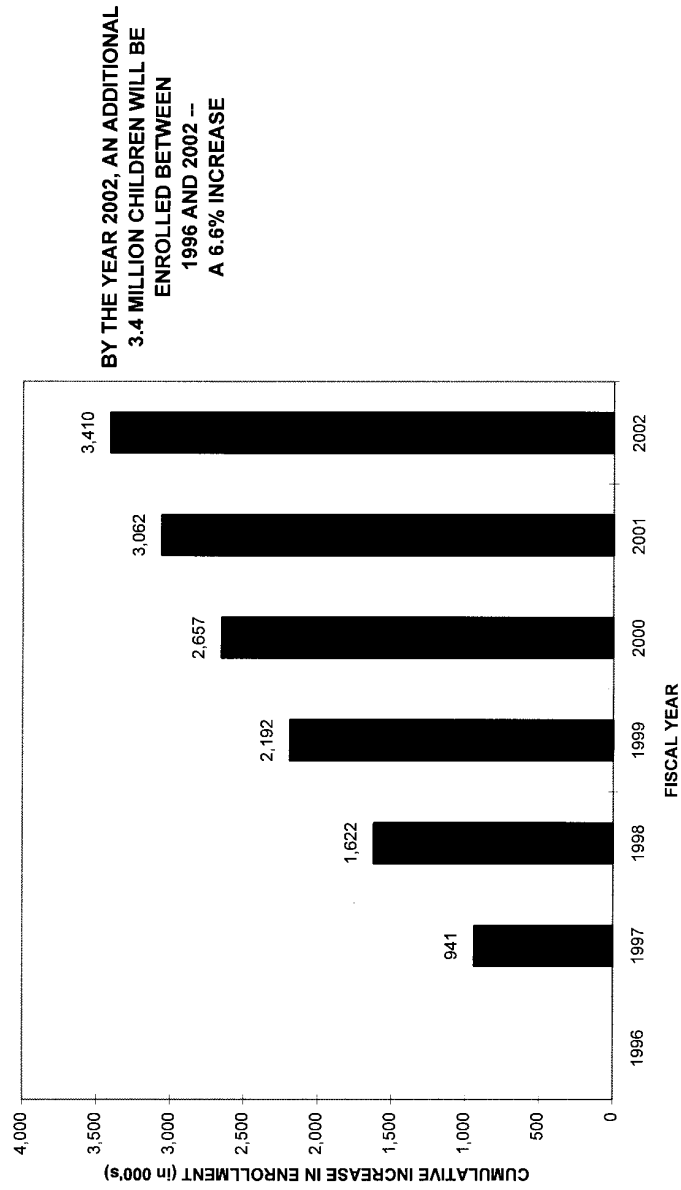
\$2.6 BILLION NEEDED TO MAINTAIN THE FEDERAL COMMITMENT TO LOCAL SCHOOLS



RISING ENROLLMENTS

Schools are facing a period of rising enrollments after a long period of decline. This fall, nearly 52 million children will be enrolled in school—more young people in our schools than at any time in our Nation's history. An additional one million children will be at the school house door the following year, and a total of 3.4 million additional children by the year 2002.

ELEMENTARY AND SECONDARY SCHOOL ENROLLMENT IS PROJECTED TO INCREASE



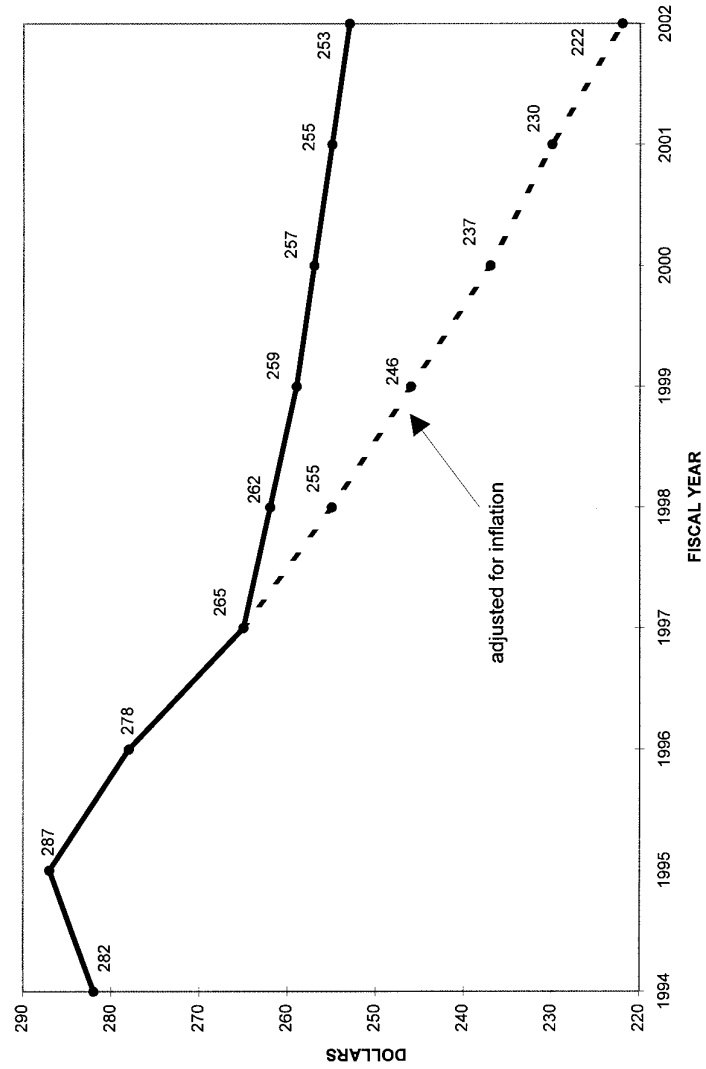
Source: National Center for Education Statistics

To accommodate these additional children schools must hire more teachers and teacher aides, purchase additional books, and build new classrooms at a time when Federal, state and local education budgets are constrained.

These children represent our Nation's best hope for the 21st century. How well we invest in their education and training will surely determine what our country will become in the future. If these children can effectively compete, our Nation will be in good shape. If we fail, these children, their families and the country will be in trouble.

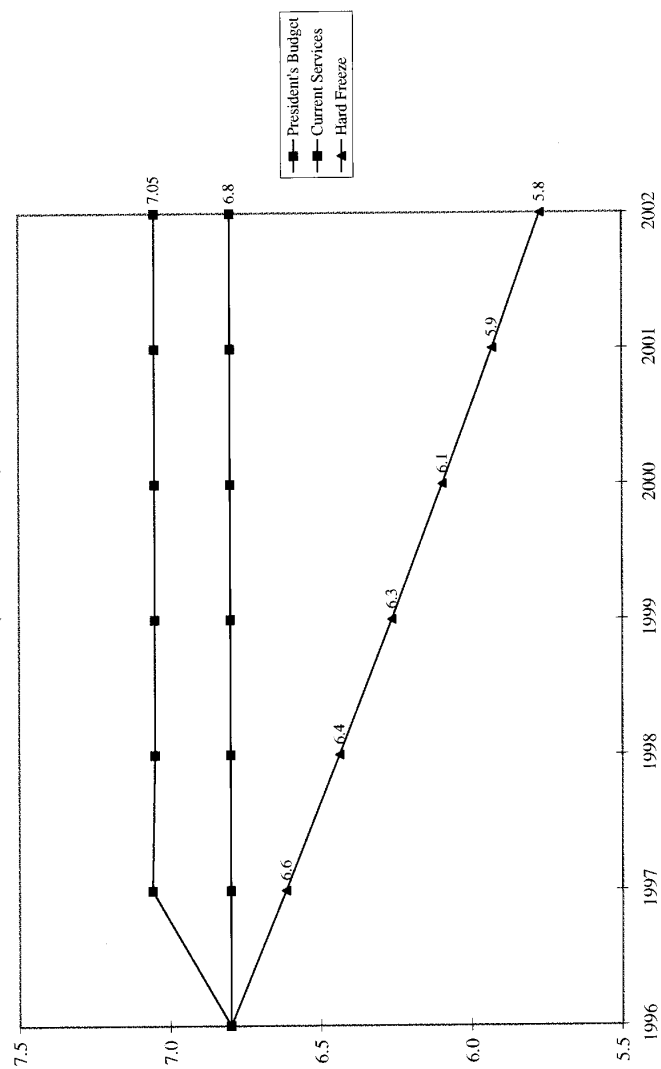
Under this bill, local schools will get 3 percent less than they received from the Department of Education for the 1996–97 school year, even though there will be nearly one million more children enrolled. Simple math tells us that fewer Federal dollars divided by more children results in real cuts in Federal per pupil expenditures. If the Department of Education's elementary and secondary budget is frozen through the year 2002 at the fiscal year 1997 level of \$14 billion provided in this bill, the Department of Education's per pupil contribution to local schools will drop 9 percent from \$278 in 1996 to \$253 in 2002. In real terms, this per pupil contribution drops to \$222—a reduction of 20 percent—by the year 2002.

Real Education Cuts
Department of Education Elementary and Secondary
Per Pupil Contribution to Local Schools
With Funds Frozen at \$14.0 Billion in FY 1997-2002

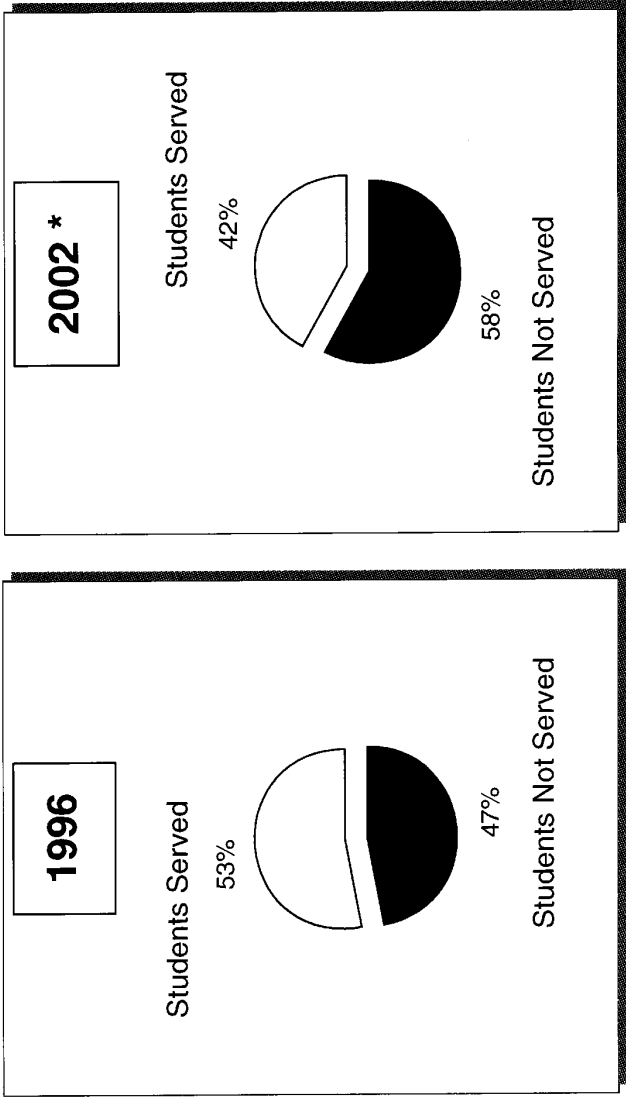


Under the Majority bill, the “hard freeze” funding level of \$7.2 billion provided for the Title 1 program would begin a six-year erosion in Title 1’s purchasing power as called for under the House Republican fiscal year 1997 budget resolution. Accounting for inflation, over 150,000 disadvantaged children would lose Title 1 services beginning in the 1997–98 school year and 1 million disadvantaged children would lose Title 1 reading and math help by the year 2002. Concomitantly, the proportion of children eligible, Title 1 children who actually receive services would drop from 53 percent in 1996 to 42 percent in 2002.

Number of Children Receiving Title I Services
FY 1996 - 2002
(In millions)



Title I: Percent of Eligible Students Served



Note: FY 2002 estimates are based on a "hard freeze" from the 1996 appropriation level for Title I Grants to LEAs

We deplore this “stealth” reduction in Title 1 funding when the growing number of low-income, low-achieving children are putting increased demands on already-strapped state and local budgets, and creating extra burdens for school districts and schools. Even the highest poverty school districts with the greatest needs are unable to serve all their high-need schools and children. In high-poverty elementary schools with at least 75 percent poverty, a third of the children scoring below the 35th percentile on reading tests do not receive Title 1 services and many low-performing middle and high school students go unserved. With adequate funding, schools would receive the supplemental assistance they need to help these children—including children of migratory workers, neglected and delinquent youth, and recently arrived immigrants and other students who do not speak English well—reach their full academic potential.

The amendment offered by Congressman Hoyer in Subcommittee markup would have provided \$1.3 billion in additional Title 1 funding—a total of \$8.0 billion—to reach an additional 1.3 million Title 1-eligible children. The amendment rejected by the Republican Majority would have increased from 53 percent to 63 percent the proportion of Title 1-eligible children served in the 1997–1998 school year.

Head Start grants for disadvantaged children

The Head Start program plays an important role in helping low-income, pre-school children prepare for school; virtually every study of Head Start has shown improved performance for Head Start kids when they enter school. It improves academic readiness and achievement, social behavior, and physical health. Head Start currently serves 740,000 three- and four-year olds, which is less than half of the estimated 2 million children who are eligible for Head Start services.

The Majority bill provides \$3.6 billion for the Head Start program in fiscal year 1997, an amount that, while an increase of \$31 million over the 1996 level, falls far short of the resources needed to maintain quality and address the critical need to reach more Head Start eligible children. Under the Majority bill, up to 15,000 Head Start slots would be eliminated next year, if Head Start grantees maintain critical quality improvements mandated by Congress.

The Solomon’s choice between maintaining children in the Head Start program and maintaining quality is one we could avoid under the President’s budget. At the requested level of \$4.0 billion for Head Start, 50,000 new slots could be added to the program without sacrificing program quality. The amendment offered by Congressman Hoyer in Subcommittee markup—and rejected by the Republican Majority—would have provided the additional \$381 million to give more low-income children a head start in school.

Special education grants for children with disabilities

Before the Education for All Handicapped Children Act was enacted, more than one million children with disabilities were denied an education in America’s public schools.

This landmark legislation began a partnership among Federal, state and local schools, families, and parents to reach a national goal of helping children with disabilities reach their full potential. On June 10, 1996, the House of Representatives passed on a bipartisan basis the Individuals with Disabilities Education Act which reaffirmed this partnership. The reauthorization bill is aimed at (1) improving educational results for disabled children by promoting their greater inclusion in the general curriculum, general assessments, and state and local reform efforts, (2) focusing more on teaching and learning, and (3) providing families and teachers with the knowledge and training they need to support students' learning effectively.

In 1975, when Congress enacted the Education for All Handicapped Children Act, the Federal government pledged to pay 40 percent of the extraordinary per pupil costs of providing the mandatory free and appropriate education to children with disabilities. We have fallen far short of meeting this commitment, and will fall even further behind under the Committee's recommendation to freeze Federal special education grants to local schools at the 1996 level of \$3.0 billion. In 1996, the Federal contribution dropped from 7 percent to 6 percent, and it will drop even further to 4 percent if a hard freeze for special education grants is extended through the year 2002, as called for under the Republican budget resolution.

Under the Majority bill, schools will be required to serve an increasing number of children with disabilities—about 170,000 more children in 1997 than in 1996—with the same amount of Federal funding. Under President Clinton's budget request, an additional \$300 million—a total of \$3.3 billion—would be provided to restore the Federal contribution to 7 percent and to serve additional children. The amendment offered by Congressman Hoyer in Subcommittee markup—and rejected by the Republican Majority—would have provided this additional funding.

IMPROVING THE ACADEMIC PERFORMANCE OF STUDENTS

The House Republican-led cuts in education investments also come at a time when nearly every state and every school district is working to raise math and science standards to better prepare students for the global challenges of the 21st century. This is due, at least in part, to Federal encouragement through such legislation as the Goals 2000: Educate America Act and the Improving America's Schools Act of 1994 (IASA). Under Goals 2000, a large Majority of the States have moved substantially toward establishing new systems of challenging content and pupil performance standards, and assessments linked to these higher standards. The IASA requires States to establish content and performance standards in order to continue receiving Title 1 funding.

States and local schools require additional resources to develop and implement these higher standards and expectations, but declining Federal aid has made attainment of these goals more difficult. Often the toughest money for school districts to find is funding for local reform efforts. Schools also face critical shortages of funds to train teachers to update their knowledge base and to utilize state-of-the art instructional techniques.

Goals 2000

The Majority bill would completely wipe out funding for the Goals 2000 program—the Federal government’s primary initiative to help schools raise math, reading and science standards, encourage communities to improve their schools and promote more parental involvement in making the schools better. Goals 2000 is a bipartisan, non-bureaucratic program begun by former President George Bush, in cooperation with the nation’s governors, and endorsed by the U.S. Chamber of Commerce, the Business Roundtable, the National Alliance of Business, the National Association of Manufacturers and the National Parent Teachers Association. Illustrative of the strong business support of the Goals 2000 initiative are comments made by Lou Gerstner, the chief executive officer of International Business Machines (IBM), who commented that “Goals 2000 is only a small portion of what I think we need, but it is a very critical portion. If we lose Goals 2000 it would be an incredibly negative setback for this country.”

We remain puzzled by the Majority’s vehement opposition to the Goals 2000 program because it personifies the Republican philosophy of less Federal bureaucracy, and more state and local flexibility. Last year and again this year, the Secretary of Education testified that there are no Federal regulations for the Goals 2000 program. Moreover, in the 1996 Labor-HHS-Education Appropriations Act, the requirement that a state submit its Goals 2000 state plan to the Secretary of Education for review and approval was modified to include alternative procedures which require only that a state develop an educational improvement plan, and report annually to the public on the use of Goals 2000 funds and its progress in meeting benchmarks of improved student performance.

The amendment offered by Congressman Hoyer in Subcommittee markup would have provided \$350 million for the Goals 2000 program in fiscal year 1997. In contrast, the Republican Majority would eliminate this funding just as most schools have completed their Goals 2000 planning and begun to implement reforms. For example:

in Arkansas, the Monticello School District is using Goals 2000 funding to partner with the University of Arkansas at Monticello to link undergraduates majoring in education with experienced teacher mentors to improve the preparation of new teachers, based on the needs of the school district;

in Massachusetts, the New Bedford Public Schools have developed a partnership with the Massachusetts Institute of Technology and are participating in a math and science training course developed by some of the most noted scientists and professions in the country;

in California, the Vacaville Unified School District is using Goals 2000 funds to help low-performing schools in the district raise academic standards and implement effective teaching strategies aimed at ensuring that by the third grade, all students are reading on grade level; and

in Florida, the Hillsborough County School District is using Goals 2000 funds to partner with the University of South Florida, Tampa Education Cable Consortium and Apple Computer, Inc. to implement the “Beyond the Walls” project, an inter-

active telecommunications writing program for elementary, middle and high school teachers to ensure that teachers master the skills needed to teach writing through distance learning technologies.

The Majority also would eliminate Goals 2000 funding to 28 Parental Assistance Centers under which parents are being encouraged to participate fully in their children's learning. These Centers are:

GOALS 2000 PARENTAL ASSISTANCE CENTERS

Grantee	State	Grant amount
Ahmium Education, Inc.	California	\$339,104
Clayton Foundation	Colorado	449,000
Greater Washington Urban League	District of Columbia	264,712
Center for Excellence	Florida	495,179
Albany/Dougherty 2000 Partnership for Education	Georgia	265,566
Parents and Children Together	Hawaii	389,697
The Higher Plain, Inc.	Iowa	328,191
Licking Valley Community Action Program	Kentucky	309,546
Maine Parent Federation, Inc.	Maine	125,000
Child Care Connection, Inc.	Maryland	470,401
Cambridge Partnership for Public Education	Massachusetts	364,379
Life Services of Ottawa County, Inc.	Michigan	209,090
PACER Center, Inc.	Minnesota	324,000
Literacy Investment for Tomorrow—(LIFT)	Missouri	453,472
Sunrise Children's Hospital Foundation	Nevada	212,703
Parent Information Center	New Hampshire	289,034
Prevent Child Abuse—New Jersey	New Jersey	358,304
Geneseo Migrant Center, Inc.	New York	249,952
Exceptional Children's Assistance Center	North Carolina	367,783
Lighthouse Youth Services, Inc.	Ohio	388,621
Parents as Partners in Education	Oklahoma	377,247
Community Action Southwest	Pennsylvania	453,013
Black Hills Special Services Foundation	South Dakota	436,267
NashvilleREAD, Inc.	Tennessee	199,231
Mental Health Association of Texas	Texas	499,941
Vermont Family Resource Partnership	Vermont	388,576
Children's Home Society of Washington	Washington	462,991
United Health Group of Wisconsin	Wisconsin	468,000

All of the centers must provide support to preschool children through either the Parents as Teachers (PAT) or Home Instruction Program for Preschool Youngsters (HIPPY) programs—both widely replicated, home-based models that have proven to be highly effective in helping parents help their children to learn.

In contrast to the Republican proposal to provide zero funding for the Goals 2000 program, President Clinton requested \$491 million for Goals 2000 in fiscal year 1997 to provide assistance to six million children in 2,000 individual schools which are working to help children gain the high academic skills necessary for success.

Eisenhower teacher training

We believe that empowering teachers with the skills needed to provide challenging learning experiences for their students is essential for those students to achieve world class academic standards. Common sense, as well as empirical research, tells us that well-trained teachers can make a real difference in student outcomes.

The Eisenhower Professional Development Program is the major Federal vehicle for ensuring that the nation's educators are able to teach children to high standards, and for many school districts, the only source of funding for any professional development activities at the local level. The program is especially critical to improving teaching in math and science subjects where, according to the National Science Foundation, nearly one-half of the nation's more than 2 million math and science teachers, especially those at the elementary level, require extensive upgrading in both disciplinary competency and pedagogical skills.

The Majority bill provides no funding for the Eisenhower Professional Development Program, a reduction of \$275 million below the 1996 appropriation and \$610 million below the President's budget request. While we do not quarrel with providing additional resources to local schools through the Title VI Innovative Education Program Strategies State Grants Program, we believe that redirecting Eisenhower Program funds to the Title VI program is a serious mistake. The Eisenhower program has achieved a reputation for supporting high-quality, professional development which reaches approximately 750,000 teachers annually in 13,000 school districts. In the decade since this program was first initiated, student achievement in the subjects of math and science has increased. Between 1982 and 1992, the math and science proficiency scores for 17-year olds on the National Assessment of Educational Program rose 9 and 11 points, respectively, on each assessment. This is roughly equivalent to an additional year of learning in high schools.

The Eisenhower Program provides great flexibility to address local school needs, at the same time that it establishes a clear, vital and sound priority for teacher training and retraining at the local level. A national investment in teacher training through the Eisenhower Program is a sound investment in improved student achievement.

A SAFE AND SECURE EDUCATIONAL ENVIRONMENT

No teacher or student should be afraid to walk into a classroom or walk on school grounds. Yet, schools face a greater burden in providing a safe and secure, and drug-free environment for students and teachers than they did ten years ago. Violence in and around schools directly affects educators and students by reducing school effectiveness and inhibiting student learning. In 1993, more than one in five high school seniors were threatened in school.

Alcohol and other substance abuse is a serious problem for students. And, after 12 years of steady decline, youth drug use has recently increased. In 1995, 38 percent of 8th graders had tried an illegal drug and 16 percent had used marijuana. The proportion of students having five or more drinks in a row in a two-week period in 1995 was 15 percent for 8th graders, 24 percent for 10th graders, and 30 percent for 12th graders. Almost 1 in 25 12th graders drinks alcohol daily.

The Majority bill cuts Federal support for safe and drug-free schools and communities, reducing assistance for national programs by \$25 million and state/local grants by \$74 million below

the President's request. These reductions put millions of children and teachers at an increased risk of violence in their schools.

We know that funding for the Safe and Drug free national programs has provided flexible resources to respond to local needs in drug and violence prevention. For example, safe and drug free national program funds were used to meet some of the needs of the Oklahoma City Public Schools after the bombing of the Federal building there. Research demonstrates that major disasters, such as in Oklahoma City bombing, sometimes lead to increased drug use, disruption in class, truancy, violent behavior and "acting out" behavior. With national program funds, the Department of Education was able to immediately respond to the needs of the Oklahoma schools for help in maintaining stability in the schools.

The amendment offered by Congressman Hoyer in Subcommittee markup—and rejected by the Republican Majority—would have restored \$25 million for the Safe and Drug Free Program to provide the necessary funding for national, leadership activities designed to prevent illegal use of drugs and violence among students at all educational levels.

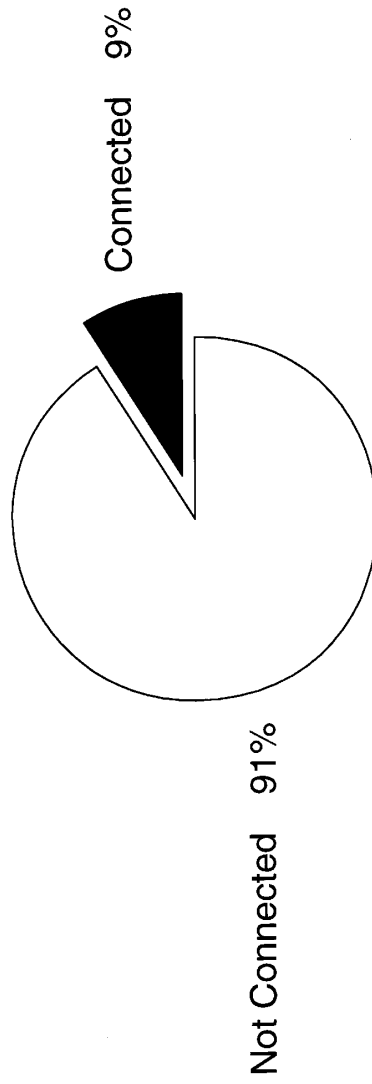
PROVIDING STATE OF THE ART EDUCATIONAL TECHNOLOGY

Expectations and opportunities also are rapidly increasing in the realm of educational technologies. Educators, business, and parents all agree that integrating technology into the classrooms will increase the educational achievement of students. Technology has been documented to improve student academic achievement in language arts, math, social studies and science; to enable more effective teaching; and result in gains in reading and math test scores for remedial and low-achieving students.

While Internet access, compact discs, and other expanding instructional resources will eventually make instruction more efficient and may reduce costs, the initial costs that must be incurred in order to make use of these technological opportunities are substantial. McKinsey and Co., one of the world's top management consulting firms, examined the costs and investments required to effectively integrate technology into the classroom. McKinsey found that:

More computers are needed: Only 4 percent of schools have more than one computer for every 5 students. One-half of computers are in school labs; only 24 percent of schools have computers in every classroom. On average, students spend only about 8 minutes a day using computers in learning. Only 9 percent of all instructional rooms—classrooms, labs and media centers—are connected to the Internet.

**Percent of Public Elementary and Secondary
Classrooms Connected to the Internet (Fall 1995)**



Source: Fast Response Survey

Moreover, there are persistent inequities in the distribution of up-to-date technology in the schools and at home. Most state-of-the-art schools are in affluent suburbs; students in rural and inner city schools tend to have far less access to computers both at school and at home. In 1993, only 6.1 percent of low-income children in grades 7–12 had used a computer at home compared to 55 percent of high income children in those grades.

Computer networks need to be established: While up to 50 percent of schools have already installed local area networks, less than 10 percent of these networks connect computers in all classrooms.

More investment is needed: The technology share of local school budgets must increase from a current 1.3 percent to as much as 4 percent to achieve the full potential of available information technologies.

The Majority bill terminates funding for the Star Schools program—a small, but significant effort to improve instruction in math, science and foreign languages through telecommunications networks. Since 1988, the Star Schools program has provided services to more than 6,000 schools in nearly every state, bringing otherwise unavailable instruction to students in rural areas in such states as Iowa, Mississippi, and Washington. The President's budget requested \$25 million for this initiative in fiscal year 1997 to expand the use of distance learning technologies to raise academic standards and undertake related schools reform efforts.

The President's budget also requested \$250 million in fiscal year 1997 (\$2 billion over five years) for a new Technology Literacy Challenge Fund to assist schools in achieving four technology goals:

All teachers have the training they need to help students learn to use computers and the information superhighway;

All teachers and students have modern computers in their classrooms;

Every classroom is connected to the information superhighway; and

Effective software and on-line resources are an integral part of every school's curriculum.

The sophistry employed by the Majority in denying any funding for this significant, new technology initiative ignores the strong evidence that, used properly, computers and other communications technologies can expand students' opportunities and improve their motivation and achievement in many ways; for example:

Basic skills.—Students in Computer Aided Instruction (CAI) classes have outperformed their non-CAI peers on standardized tests of basic skill achievement by as much as 30 percent;

Advanced skills.—Interactive educational technologies enable students to engage in problem solving activities that have real-life applications;

Access to instruction and information.—Distance learning makes it possible for students in isolated schools to take courses (such as calculus and physics) from remotely located and highly skilled teachers; and

Processing and presenting information.—Word processors and spreadsheets permit students to revise their writing and analysis more easily and often, resulting in demonstrably improved writing and learning.

We believe that the Committee's action to deny this funding is shortsighted and unwise. Computers and related technologies have transformed practically every sector of American life. Access to information has opened entirely new ways of thinking about how we live, work and learn. Computers are now ubiquitous in work settings. Blue and white collar jobs rely extensively on computers and telecommunications.

Without the funding requested by the President for technology initiatives, schools will have fewer resources to equip students for today's more demanding, high stakes learning and work environments where one must be able to read, compute and work with others using technology. The amendment offered by Congressman Hoyer in Subcommittee markup—and rejected by the Republican Majority—would have provided \$250 million as the first installment of funding for the Technology Literacy Challenge Fund to assist local schools in addressing these challenges.

POSTSECONDARY EDUCATION AND JOB TRAINING

Equally important to the future of our nation economic competitiveness is the role of postsecondary education and training. At a time in our nation's history when a college education is more critical than ever to the success of workers and their families, the Majority has ignored the demands of increasing enrollment and rising tuition costs by providing \$729 million less than the President's Budget for student aid. The bill includes only an increase of \$30 dollars in the maximum Pell grant instead of \$230 as requested by the Administration, which will mean 107,000 fewer students will receive a Pell grant. The Pell grant program is the cornerstone for Federal college assistance, providing aid to 4 million needy students. More than 90 percent of Pell assistance goes to students from families with incomes below \$30,000, and 41 percent goes to students in families with incomes below \$12,000. The Pell program is one of the few sources of grant aid still available, and helps cut down on the crushing college debt assumed by so many students and their families today.

This bill has also eliminated the new capital contributions to the Perkins Loan program thereby denying 96,000 students a Perkins award. Over 88 percent of undergraduate students who benefit from Perkins loans come from families with incomes under \$50,000. These are kids from hard-working, middle class families whose incomes have been squeezed year after year.

Over the objections of the Minority, the Majority has accepted the Administration's proposal to terminate the State Student Incentive Grant program, which means nearly 130,000 students would no longer get the help they need to attend college. The SSIG program continues to be effective, and generates several times more in student aid than the Federal contribution due to the state matching requirement. SSIG also serves some of the neediest students, helping students whose families have median incomes of just over \$12,000 for a family of four.

For many workers, who are not able to go to pursue a college education, it will be essential to obtain training in job related skills. The President's budget would have assisted an additional

34,000 disadvantaged adults with JTPA job training and supportive employment services above the level financed in this bill.

The Lowey amendment which failed in subcommittee would have added \$499 million for Pell grants, Perkins loans, SSIG, and the JTPA adult training program.

In recent years, new technologies and expanding global competition have required an increasingly more educated workforce, and there is little doubt that this trend will continue into the next century. One of our greatest economic challenges is wage stagnation and a falling living standard for American workers who have difficulty adapting to the demands of the changing workplace. Without additional job training or higher education, these workers will continue to lose ground relative to the remainder of the workforce.

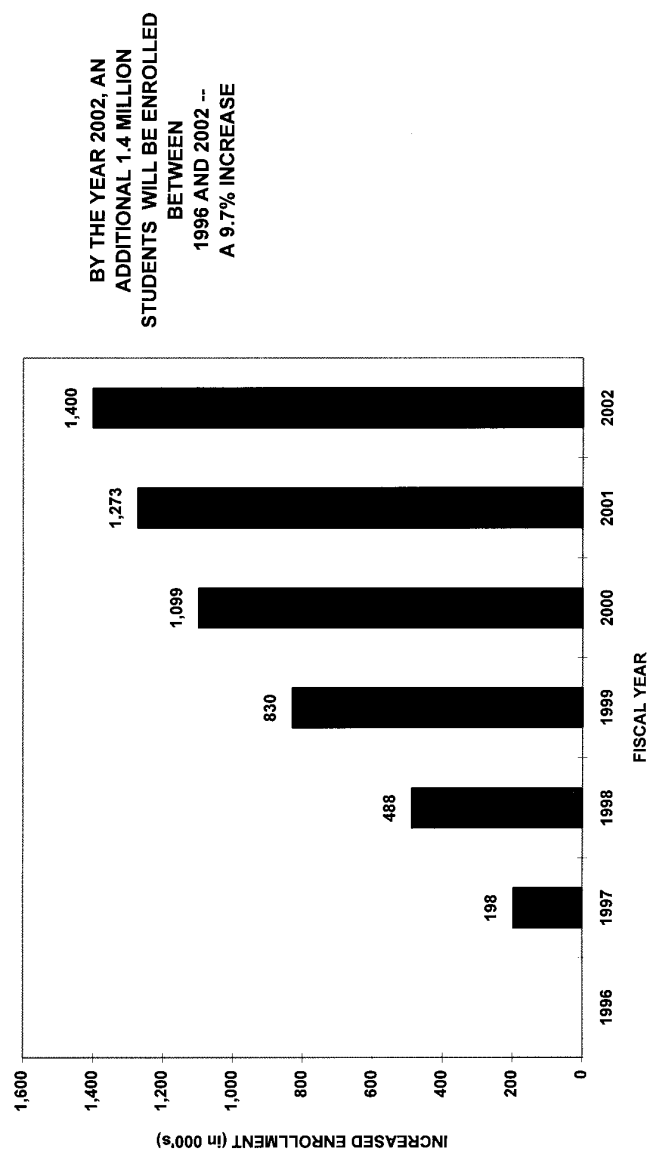
In 1980, college educated males age 25–34 earned 19 percent more than individuals with only a high school degree, and college educated females had a 52 percent advantage. In 1993, this gap widened to a 57 percent difference for males and a 99 percent difference for females.

Each year, more students are recognizing the critical importance of higher education and are entering two-year and four-year college and university programs as the basic education to prepare for their careers. Over the next several years, a combination of factors will place a greater burden on the Federal role for providing student aid. As a nation, it is in our economic interest to react to these factors and increase Federal student aid so that we can adequately prepare the next generation of American workers.

RISING ENROLLMENT

Currently only about half of high school seniors go on to college, and only half of those will complete a degree. However, it is becoming increasingly difficult to make a successful career with only a high school education. Postsecondary enrollment has been steadily increasing and will place greater demands on the Federal student aid programs in the near future. There are currently 14.4 million college students in the country and enrollment is expected to reach 15.8 million by 2002.

HIGHER EDUCATION ENROLLMENT IS PROJECTED TO INCREASE



Source: National Center for Education Statistics

RISING TUITION

At the same time that the need for postsecondary education is becoming universal, the cost of this education has been rapidly increasing and causing financial strain for all but the most affluent American families. During the 1980's the cost of attendance at public universities increased by 109 percent and at private universities by 146 percent. A 1991 Gallup poll showed that 87 percent of Americans believe that costs are rising at a rate which will put college out of the reach of most people.

DECLINING VALUE OF FEDERAL GRANTS AND SHRINKING STATE SHARE OF FUNDING

During the past two decades, Pell grants have not kept pace with college expenses. In 1976, the maximum Pell grant of \$1,400 covered 48 percent of the average college cost of \$2,896. In 1996, the maximum Pell grant of \$2,340 covered only 20 percent of the average college cost of \$11,584.

States are not picking up the slack in student aid. In fact, the opposite is true. Information from Department of Education indicates that public colleges and universities have seen the percentage of state funding decline from 45.6 percent of their budget revenues in 1981 to 35.9 percent in 1994. This in turn has driven public tuitions up drastically. During this time, revenues from tuition and fees have been increased from 12.9 percent of the budget in 1981 to 18.4 percent in 1994. This year, undergraduates at the University of California will pay 450 percent more in tuition than their siblings paid in 1980. At the City University of New York, tuition has increased 315 percent during the same time.

There is no question as to the importance of Federal assistance in making it possible for students to receive a postsecondary education. At public colleges, more than 50 percent of the full-time students need some form of Federal financial assistance, and at private schools, the figure is in excess of 70 percent.

INCREASING DEBT BURDEN OF STUDENTS

The decline in grants from all sources has led to explosive increases in student borrowing. In 1976, loan volume totalled \$1.8 billion, and the ratio of loans to Pell grants was 1.2:1. In 1986, loan volume reached \$8.6 billion, and the ratio of loans to grants increased to 2.5:1. By 1995, loan volume topped \$27 billion, and the ration of loans to grants increased to 5.0:1. With more and more students racking up mountains of debt, the next generation of workers will start out more in the hole, and will face an increasing financial struggle to start their families and finance their first homes.

ADMINISTRATIVE CAP ON STUDENT LOANS

The House Republican's proposal to fund student loan administrative activities under section 458 at \$420 million in 1997 would effectively cap new volume in the Direct Loan program, handicap Department efforts to prevent and collect defaulted loans, and threaten the overall integrity of student loan programs.

The proposed funding level is \$16 million below the 1996 level and \$71 million below the President's request. There is no way to reconcile these reductions with the following facts:

Direct Loan volume share will increase by 25 percent (from 32 percent in academic 1995–1996 to 50 percent of overall loan volume in 1996–97);

The number of Direct Loan schools will grow by 30 percent (from 1,300 in 1995–96 to 1,700 in 1996–97) and hundreds of additional schools are scheduled to join the program beginning in July 1997. Similar to the FFEL program, 88 percent of loan volume will be made through 4-year public and private institutions. As required by statute, the percentage of proprietary schools in Direct Loans is comparable to that under the FFEL program;

The number of loans in repayment will grow by 175 percent (from 594,000 in fiscal year 1996 to 1.6 million in 1997); and

Since Direct Loan origination and servicing contractors are paid on a per-unit basis, growth in the number of new loans and loans entering repayment will increase costs for these contracts substantially between 1995–1996 and 1996–1997.

As these facts make clear, substantial cost increases for Direct Loan origination and servicing are inevitable in 1997. The absence of sufficient funds to support these additional costs would force the Department to cut back on new loans, effectively denying students and schools the opportunity to participate in the program. In addition, under the proposed level:

Funding for the Department's highly successful default collection activities would have to be reduced. Thanks in part to additional resources that have been available in recent years, Department collections totaled \$2.0 billion in 1995, twice the amount collected only four years earlier. During this same period, the cohort default rate has dropped from over 22.4 percent to 11.6 percent.

Funding to support a range of oversight systems such as the National Student Loan Data System would have to be reduced. The Department's Inspector General, the General Accounting Office, and congressional oversight committees have repeatedly noted the vital role these systems play in avoiding fraud, waste, and abuse.

Training opportunities

The funding levels in the House bill for overall employment and training programs is \$1.0 billion (15%) below the President's request, resulting in 300,000 fewer participants being served. This funding level is entirely inadequate given the need for essential investments to train this country's workforce. New technologies, global competition, and an increasingly integrated economy require an exceptionally well trained workforce. It is clear that job-related skills training is essential, paying off in terms of increased productivity for industry and increased wages for workers. Given these facts, we cannot comprehend why the Congress should reduce funding in this critical area. Such cuts will mean lost opportunities for thousands who are striving for a better life or just to escape welfare dependency.

The House Republicans' proposal to fund the JTPA adult training program at \$850 million represents a \$97 million cut from the President's request, resulting in 34,000 fewer low-income people

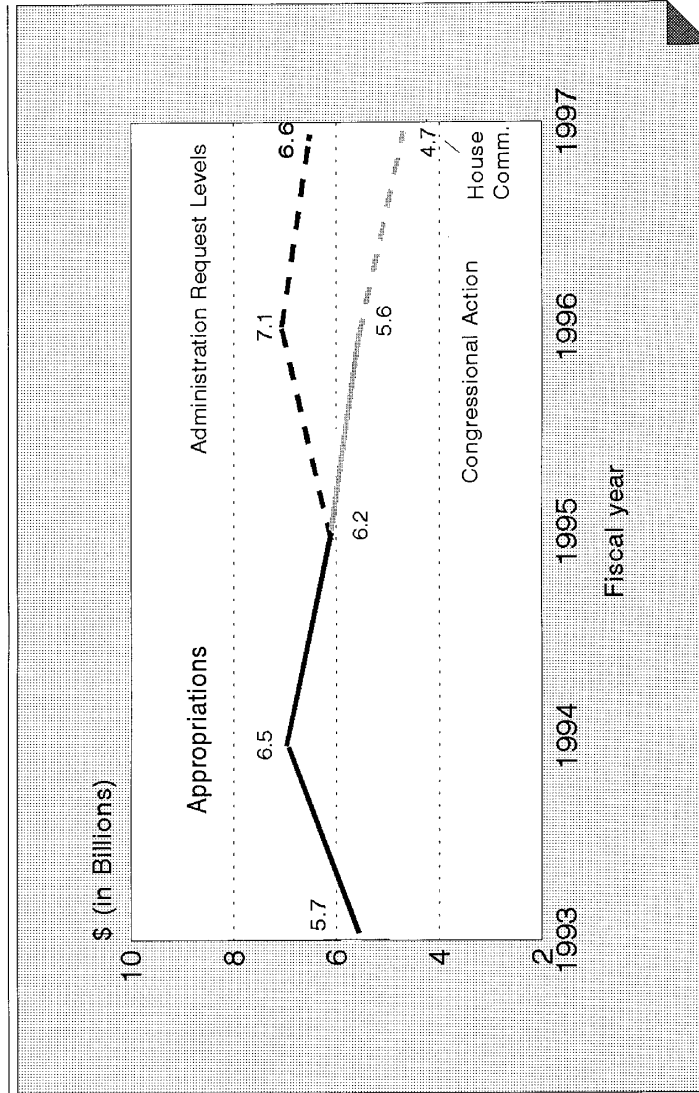
who can receive assistance. This program helps people acquire the basic and technical skills necessary to obtain new or better employment. Any serious reform of the welfare system will require substantially increased investments in job training services for economically disadvantaged adults—not reductions.

Evaluations have shown that this program works. The National JTPA Impact Evaluation shows that participants increase earnings by 10–15% over comparable individuals who are not trained; adult women trainees who were former AFDC recipients earn \$6,000 per year more than control groups and earnings gains achieved as a result of training continue throughout the lifetime of individuals who participate. Thus, this program is a good financial investment—it has social benefits which are 1.5 times greater than its costs.

Disadvantaged adult workers don't need a handout. But many need a helping hand. We can't afford to balance the budget in the backs of those who need government's help the most.

EMPLOYMENT AND TRAINING

FUNDING FY 1993 - FY 1997



ASSISTANCE FOR CHILDREN AND FAMILIES

At a time when families are being squeezed between increasing costs of child care, health care and stagnant wages, the Majority has provided only slight increases in certain areas to help struggling and vulnerable families, and has not restored some of the deep cuts that were made in the 1996 appropriations bill. The Stokes amendment which failed in subcommittee would have added \$1.2 billion for key programs in this area, including the Social Services Block Grant, the Healthy Start infant mortality initiative, child care, summer jobs, drug abuse prevention and treatment, and a new Opportunity Areas for Youth program.

Social Services Block Grant

While the bill provides an increase of \$99 million for the Social Services Block Grant, the funding level is still a \$320 million cut below the entitlement level of \$2.8 billion required under current law. There are a number of States that do not provide additional funding for social services, and the impact of this cut will be severe—particularly in services such as protective services for children and adults, home-based care, and child care that are essential in promoting family security. Together with other cuts in low income programs which this Congress has made, such as a one-third cut in low income energy assistance, communities will be hard pressed to respond to the needs of the elderly, at-risk youth and children and families.

Healthy Start Initiative to reduce infant mortality

The Minority strongly opposes the elimination of the Healthy Start initiative that is designed to reduce high infant mortality rates through the development and dissemination of various community-based strategies. The United States has the highest infant mortality rate of 22 industrialized nations. Of the 4 million babies that will be born this year, 36,000 will die before their first birthday. These are tragic losses that will devastate each of those families. Five years ago, a demonstration program was initiated to target 22 communities with the highest infant mortality rates with the goal of cutting the number of deaths in half and reducing the number of low birthweight births. The preliminary results indicate that this program has been a success, and the President has proposed to transfer the strategies and best practices learned from this demonstration to other communities with high infant mortality rates. In their drive to eliminate programs, the Majority has chosen to end this successful initiative altogether.

The Minority believes that this is penny-wise and pound-foolish. The facts speak for themselves:

Low birthweight infants represent 7 percent of all births, but 57 percent of the cost of care of all newborns;

In 1990, the hospital costs for low birthweight newborns exceeded \$2 billion—an average of more than \$21,000 per baby. Many newborns with health problems caused by low birthweight incurred additional hospital costs of \$175,000. In contrast, a healthy delivery averages \$2,842.

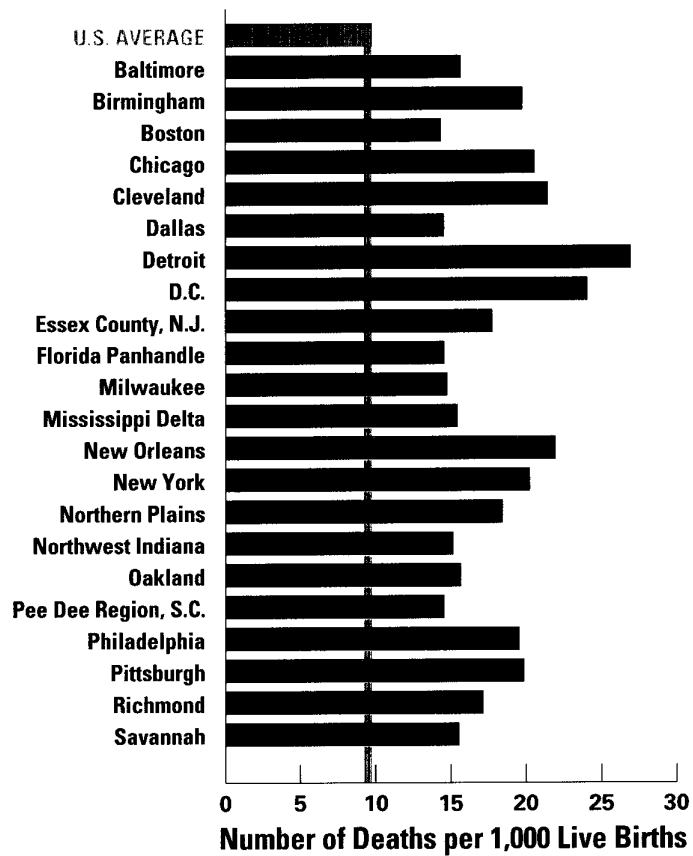
It is now estimated that spending \$1 on prenatal care saves \$3 in health costs later; and

Long-term health care costs for a low birthweight baby can reach \$500,000, while prenatal care to prevent low birthweight costs as little as \$750.

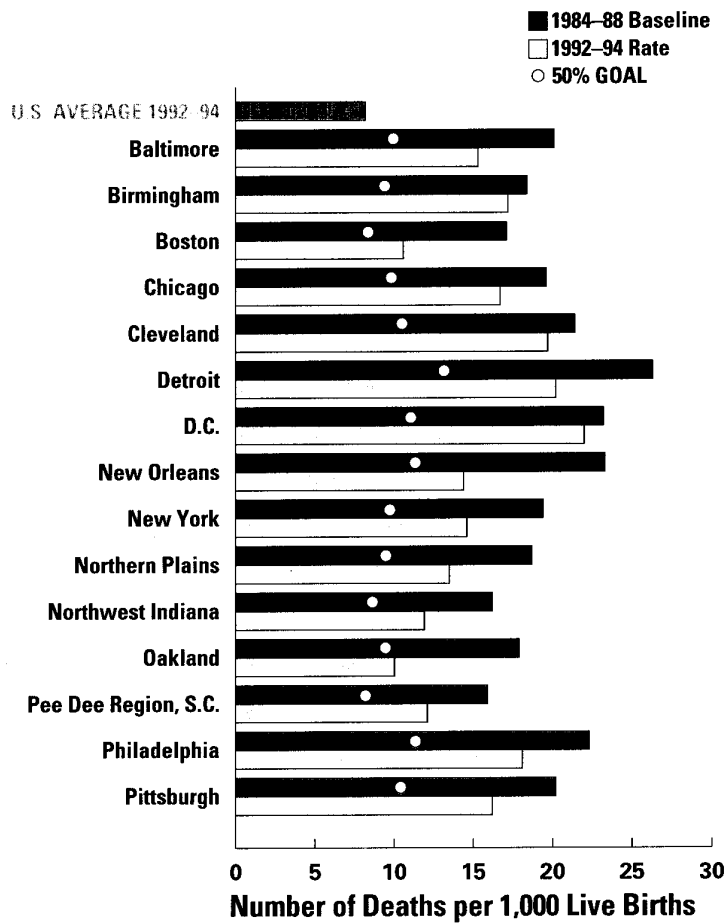
Without replication of the lessons learned from this initiative, many other communities with high infant mortality rates will not be able to reach the Year 2000 objectives of an infant mortality rate of 7 per 1,000 live births, 5 percent low birthweight births, 90 percent immunization level of all children by age 2, and efforts to reduce the disparities between white and Minority populations will be adversely affected. The Minority believes that these are such high priority public health goals, that a separate, highly focused program such as Healthy Start is critical to success—an assessment shared by the Bush Administration which initiated this program rather than using the existing public health block grant programs that are already stretched thin.

Healthy Start Initiative

Infant Mortality Rate 1988–90



Healthy Start Initiative Infant Mortality Rate Reduction



Teen pregnancy

The United States has the highest rate of teenage pregnancy of any industrialized country in the world, and has been a focus of concern in both Democratic and Republican welfare reform proposals. Nonetheless, the bill fails to include \$30 million as requested by the President for a teenage pregnancy initiative that would reach about 25 communities with high teenage pregnancy rates to promote the message to young people that staying in school, postponing pregnancy, and preparing for work are the right things to do.

These funds would be concentrated on comprehensive interventions to provide opportunities for young people to take responsibility, improve their life skills, and become contributing members of society. These interventions would include abstinence-based activities, career counseling, job skills training, mentoring, family planning, alcohol and drug use prevention, academic tutoring, and drop-out prevention. The new initiative would work in tandem with other Department activities to build upon existing community coalitions, support the implementation of promising prevention strategies and include an evaluation component. While there are a variety of pregnancy prevention interventions in operation around the country, there is little conclusive data about their effectiveness. This initiative would expand our knowledge of what works and what doesn't work. It is shortsighted that this promising initiative will not be funded.

Child Care and Development Block Grant

Each year millions of working families struggle to meet the significant costs of child care.

In 1994, 60 percent of women with children younger than six, and 57 percent of women with children younger than three, were in the labor force.

The average cost of serving one child in a child care center is \$4,940 per year.

As state welfare reforms shift child care resources to welfare families, the working poor families are facing increasingly long waiting lists for child care assistance.

The bill provides only a \$15 million increase for the Child Care and Development Block Grant program, which is \$98 million less than the President requested, and will not even be enough to keep pace with inflation. This program which helps 750,000 families—a fraction of the number of families which need child care assistance. The cut in the President's request for child care, taken together with the \$381 million cut in the request for Head Start, means that we will be losing ground in our efforts to help working families give their young children quality, developmental experiences that will lead to more successful lives.

Substance abuse prevention and treatment

The Majority's funding recommendations for substance abuse prevention and treatment do not adequately support the President's 1997 drug strategy that is coordinated by the Office of National Drug Control Policy. That strategy recognizes that drug dependence is a chronic, relapsing disorder that requires specialized

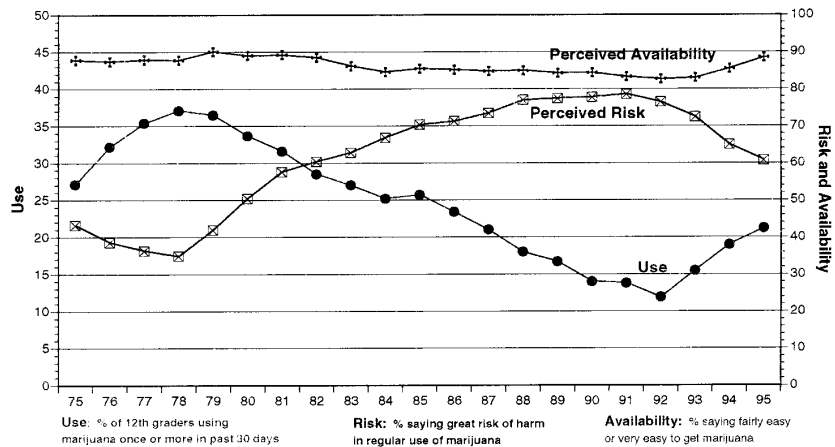
treatment. The Substance Abuse and Mental Health Services Administration supports Federal drug control priorities by expanding access to treatment and prevention strategies.

In 1996, funding for substance abuse prevention was gutted by a 60 percent cut of \$148 million. The 1997 bill is only slightly above this very low funding level which will mean that over 5 million at-risk youth individuals will no longer be reached through the substance abuse prevention programs, including 2,000 pregnant women and their infants, and 18,500 youth and their families.

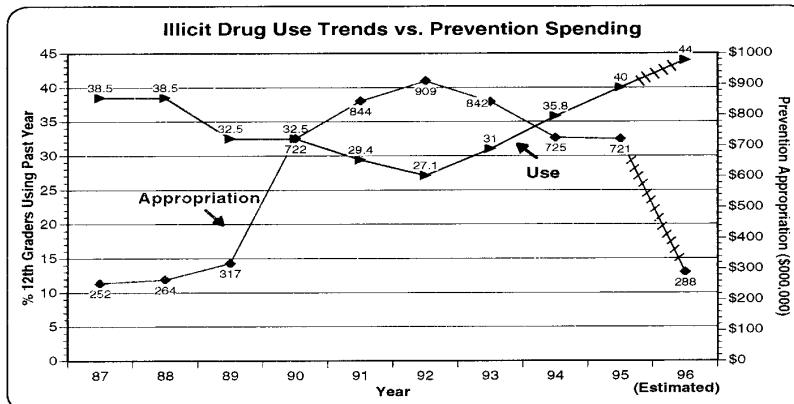
Similarly, the 1996 bill slashed treatment demonstration programs by a 57 percent cut of \$118 million. The 1996 cut will reduce contacts with those likely to contract AIDS by 134,000 and eliminates treatment for 2,400 women and 4,700 children who have no where else to go for such assistance. The 1997 bill restores only 10 percent of this cut.

The bill also unfairly reduces the substance abuse performance partnership block grant by \$50 million on the basis that these funds will be provided from PL 104-121. The conference report on that legislation clearly states the purpose of the \$50 million is to be additional funding to supplement the treatment budget so that states can meet the needs of the large number of SSI beneficiaries with drug abuse related disabilities whose benefits will be cut off pursuant to that legislation. The action taken in the Labor HHS bill ensures that states will be provided no additional assistance to help these individuals, and many will go unserved.

Successful Substance Abuse Prevention Means Understanding the Risk of Use



Prevention Funding is a Sound Investment and a Bi-Partisan Problem



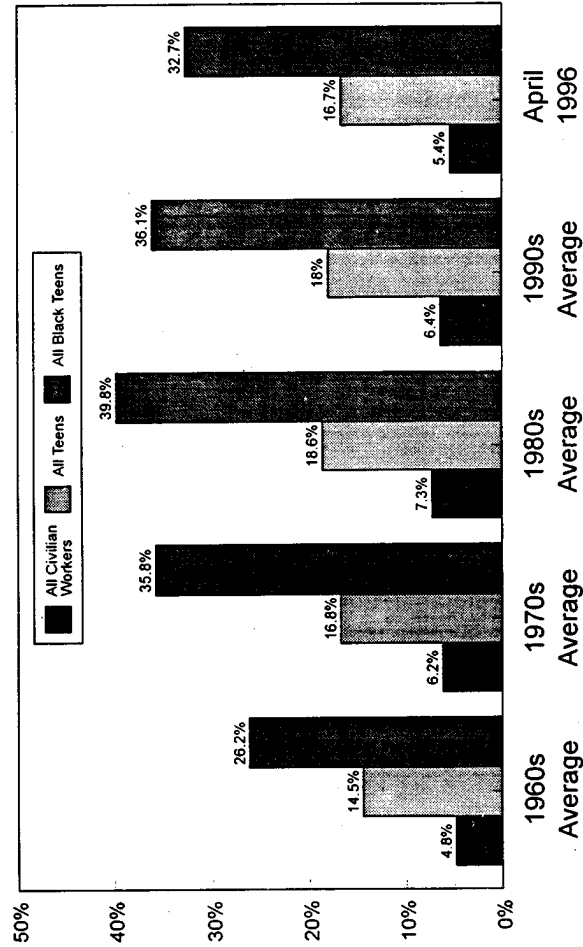
Budget: Drug Free Schools Program and Center for Substance Abuse Prevention
 Sources: Monitoring the Future Study, 1995; NCADI

Summer youth employment

The bill cuts the President's request for the Summer Youth Employment program by \$246 million or 28 percent, which will mean 132,000 fewer youth will have a job next summer. This is 79,000 fewer jobs than were provided for this summer. This record low level participant level of 442,000 is 44 percent below the 782,000 participants in 1992.

Teen unemployment far exceeds overall unemployment, averaging 17.7 percent last summer compared to the overall average of 5.9 percent. Unemployment among disadvantaged teens—the major target group for the Summer Youth Employment Program—averaged 37 percent. Youth employed by the Summer Jobs program live in neighborhoods where poverty, joblessness and crime are rampant. A recent study indicated that fewer than 25 percent of the young people enrolled in this program would have been able to find another job. The summer youth program participants are playing by the rules, with some 84 percent remaining in high school. The support for these young people occurs at a critical time in their lives, and the opportunity to participate in this program may result in taking their right path that will pay off many fold in later years.

Unemployment Rates for Teens and Black Teens Compared to All Workers



Source: Based on data from the Bureau of Labor Statistics, Current Population Survey. Because of a redesign in the survey, data prior to 1994 are not directly comparable to subsequent years. Data for years prior to 1972 refer to blacks and others, while data after 1972 refer to blacks only.

Opportunity Areas for Youth Program

The bill does not include any funds for a new Opportunity Areas for Youth program for which the President requested \$250 million. Currently there are 4.7 million youth ages 16 to 24 living in inner city and rural areas with poverty rates in excess of 30 percent. These youth face considerable barriers to succeeding in life, and the overall unemployment rate for out-of-school youth in high poverty areas is 46 percent. The Opportunity Areas for Youth program would target 50,000 youth in 15–20 high-poverty urban and rural communities with services aimed to mainstream them into the private sector, both in terms of immediate job placement and work-based learning opportunities to increase long-term employment. It also would require strong emphasis on personal accountability, requiring responsible behavior as a condition of participation. Grants would be awarded for a five year period, and Federal funds would gradually decline over the grant period, as state and local matching funds ramp up and take over entirely after the five year period. This sort of program is desperately needed and it is very discouraging that it will not be funded.

Addressing critical biomedical health research

While the Minority supports overall increases for the National Institutes of Health and the great promises that this research holds, the bill fails to provide specific funding for AIDS research through a single appropriation for the Office of AIDS Research (OAR) as provided for in the National Institutes of Health Revitalization Act and as requested by the President. The consolidated appropriation helps NIH manage NIH research funds more efficiently, minimizing duplication and setting priorities based on scientific opportunity across the 21 institutes and centers involved in AIDS research.

In March of this year, NIH released the findings and recommendations of an outstanding external review committee which completed a detailed evaluation of NIH's AIDS research. The recommendations are designed to streamline research, eliminate lower priority programs, and ensure that the American people reap the full benefit of their substantial investment in AIDS research. The findings of this report underscore the inherent value of the OAR as the body at the NIH with the authority over the AIDS budget. We believe that the OAR's budgeting authority should be restored before this bill is signed by the President.

ASSISTANCE FOR SENIORS

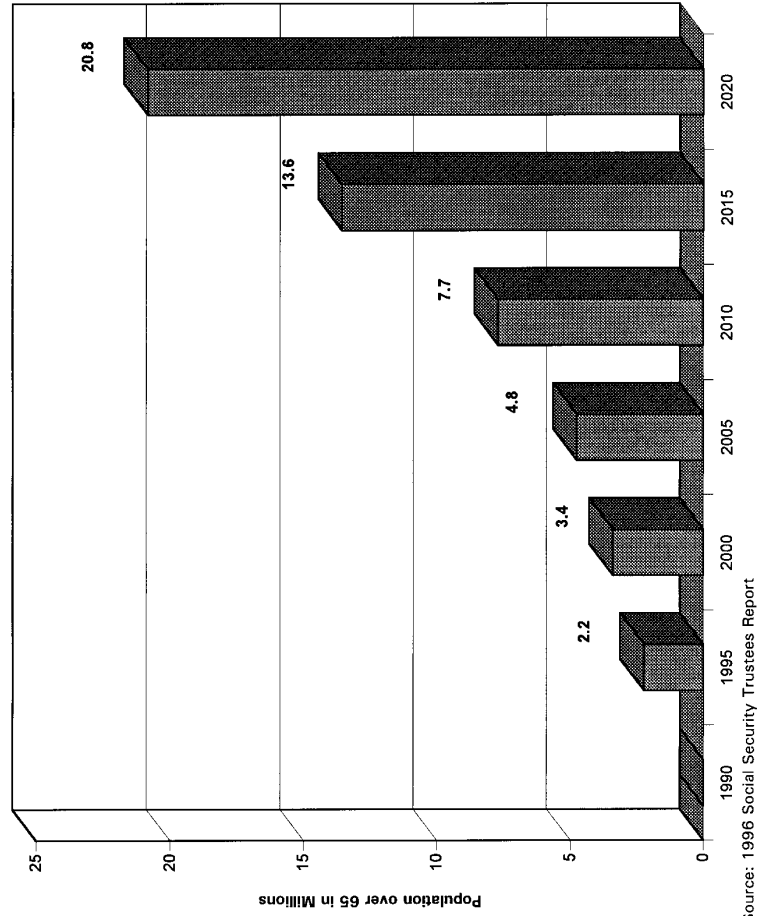
The funding levels for programs that assist our nation's seniors is another area where the Majority fails to respond to the changing demographics of a rapidly growing elderly population. We have added over 2 million seniors in the last five years and we will see that growth rate turn up sharply after the turn of the century.

This is no time for the Federal government to be backing away from its commitment to share the financial burden of providing essential services that enable seniors to remain in their homes and enjoy a higher quality of living. The Minority offered an amendment which failed in subcommittee that would have added \$1.2 bil-

lion for key programs that assist seniors including the Low Income Home Energy Assistance program, the Administration on Aging, and the Community Service Employment for Older Americans program.

The bill continues the unfortunate downward trend of the 1996 appropriations act by again cutting funding for the Administration on Aging by an additional \$19 million on top of the \$47 million in cuts enacted last year. These programs support a nationwide network of regional offices and State and Area Agencies on Aging that coordinate a broad array of services which are custom fit to the unique needs of local communities, seniors and their caregivers. Of special concern is the elimination of all funds for aging research, training and special projects which will negatively impact on local communities ability to improve, develop, and test innovative solutions of the needs of seniors.

CUMULATIVE GROWTH IN U.S. SENIOR POPULATION SINCE 1990



The Low Income Home Energy Assistance program is especially critical to this vulnerable population of seniors who are living on very modest fixed incomes. Currently 70 percent of recipients have incomes below \$8,000, and one-third are elderly.

In 1996, LIHEAP funding was slashed by \$419 million, a reduction of one-third. This bill provides \$100 million less than the President requested for fiscal year 1997, and did not appropriate any of the \$1 billion requested for 1998.

From 1981 to 1994, the low income population eligible for LIHEAP has grown from 19.7 million to 29.1 million. However, the percentage of eligible households served has dropped from 36 percent to 21 percent, along with a decline in the amount of benefits from 23 percent of the total utility bill to 12 percent in 1994. These reductions have occurred before the massive funding cuts of the 1996 bill.

The advance appropriation for 1998 is critical to the State's budgeting and planning process to have time to determine the program eligibility rules, establish the size benefits, and establish the parameters of the crisis program before the winter heating season begins. The Congress recognized the legitimacy of this state need, and authorized forward funding in the 1990 reauthorization of the program.

In the Senior Community Service Employment Program at the Department of Labor, the Minority strongly disagrees with the decision of the Majority to change the allocation of funding from the traditional 78 percent of the funds for national sponsors and 22 percent for States to the proposed 65 percent share for national sponsors and 35 percent for states. The National sponsors have a good track record of running these programs, and they include: Green Thumb, the American Association of Retired Persons, the National Council on Senior Citizens, the National Council on Aging, the National Urban League, the National Indian Council on Aging, the National Asian Pacific Center on Aging, the National Caucus and Center on Black Aged, the National Association for Hispanic Elderly, and the U.S. Forest Service.

The allocation change will cause an immediate and severe impact on the program and seniors, increase costs, serve fewer participants, and reduce program effectiveness. Since State sponsors and national sponsors are often located in different areas, the State sponsors may not be able to pick up the current enrollees of the national sponsors. Approximately 8,000 seniors will be affected and some will needlessly lose their jobs.

The proposed reallocation also does not make sense on the basis of performance. National sponsors have a 29 percent placement rate into unsubsidized jobs compared to the average state rate of 21 percent. The national sponsors have also been very successful in running these programs at lower cost per participant than state run programs. The cost per participant is \$3,897 for national sponsors compared to \$4,482 for state programs.

The seniors participating in this program are hard working individuals who are making important contributions to their communities by working in schools, hospitals, child care centers and a host of other community agencies. In 1995, 80 percent of the participants had incomes below the poverty level, 40 percent were mi-

norities, and 72 percent were women. They don't deserve to be subject to an arbitrary change that is not based on a rational attempt to improve the program. The decision of the Majority to change the allocation should be reversed in the interest of seniors and taxpayers.

ASSISTANCE FOR WORKERS

Over the last two years, primarily through the appropriations process, the 104th Congress has reversed decades of progress on job training, education, pensions, and worker protection. This is particularly alarming when American workers and their families are menaced by downsizing and displacement because of trade and technology.

Again this year, the bill makes further cuts to important initiatives for America's 93 million working men and women in 6 million workplaces across the country. These programs promote workplace health and safety, ensure pension security, and ensure that employees have fair wages and adequate working conditions. The Pelosi amendment which failed in subcommittee would have added \$462 million for key programs that assist workers including OSHA, NLRB, Pension Benefits Welfare Administration, Employment Standards Administration, Mine Safety and Health Administration, and the Dislocated Worker Assistance program.

The House bill cuts worker protection programs by 13 percent below the President's request and 9 percent below what is needed to simply maintain last year's level of operation. These cuts mean fewer inspections, less compliance assistance services for smaller employers, and reduced public education. The cuts eliminate increased funding requested by the President for initiatives in the area of workplace health and safety, pension protection, and immigration reform.

HEALTH AND SAFETY

Each day, some 6,000 American workers are injured on the job, costing American businesses approximately \$12 billion each year. Without the Occupational Safety and Health Administration (OSHA), the toll would be worse. Since the agency's inception, workplace fatalities have declined by 57 percent.

The funding in the bill for OSHA is \$43 million, or 13 percent, below the President's request. Thus, ongoing activities will need to be cut back further and the "New OSHA" initiative, focused on developing partnerships through small business assistance, will not be funded. OSHA's efforts to rewrite confusing and duplicative regulations in plain English has been cut by 55 percent. Cuts that will only result in increased workplace accidents and fatalities will cost our society.

Mining is a \$54 billion industry involving 350,000 miners and remains one of the most hazardous industries in America. Largely because of the Mine Safety and Health Administration (MSHA) enforcement efforts, coal miners are five times less likely to be killed on the job than they were in 1969. The cut of 6 percent below the President's request for MSHA will mean no funds to acquire new mine safety equipment.

In addition, the bill includes a rider prohibiting OSHA from developing or issuing regulations on work related repetitive motion injuries (Ergonomics). This extreme ergonomics rider even prohibits voluntary guidelines requested by many concerned businesses and would even prohibit the collection of data on the frequency of such injuries.

OSHA estimates that 2.7 million workers will file worker's compensation claims for repetitive motion injuries, costing American employers more than \$20 billion in direct costs. Nonetheless, OSHA would be prohibited from even answering questions about ways of preventing the fastest growing health problem in the American workplace.

PENSIONS

Pension protection funding through the Pension and Welfare Benefits Administration (PWBA) has been cut 6 percent below current services and \$20 million, or 22 percent, below the President's request. As a result, reductions will be made in the number of investigations undertaken as well as public information and assistance activities. No funds are provided for three of the Administration's priority pension protection initiatives—pension education and participant assistance, the electronic filing initiative, and the 401(k) enforcement initiative.

Over the last several years, American workers have become increasingly concerned about the security of their pension plans. Democrats have introduced several bills to improve pension security, including legislation to better protect participants in defined benefit and 401(k) plans from fraud and abuse, and increase security for workers in multiemployer plans. The Republican Leadership has yet to advance this important legislation.

Instead, last year's budget reconciliation bill turned back the clock on protection of pension plans. The bill, which was vetoed by President Clinton, would have eased the pension rules so that companies would be able to remove "surplus" funds from pension plans. This provision would have threatened the security of pensions for nearly 4 million workers and retirees in 6,000 pension plans.

EMPLOYMENT STANDARDS

The Employment Standards Administration (ESA) makes sure that ordinary Americans get a fair shake at the workplace. The enforcement of child labor laws, fair wage laws, and fair hour laws are critical to American workers. Non-union workers especially depend on these basic protections. Employers who play by the rules also need this protection from unfair competition from those who do not meet their responsibilities.

Funding for ESA is cut by \$47 million, or 6 percent, below current services and is 15 percent below the President's request. As a result, reductions will have to be made in efforts to eradicate garment sweatshops and protect worker's newly won family and medical leave. The President's initiatives, including efforts to curb illegal immigration through stronger workplace enforcement, will not be funded.

COLLECTIVE BARGAINING

The National Labor Relation Board (NLRB) receives, investigates and prosecutes charges of unfair labor practices filed by businesses, labor unions, and individuals. It also schedules and conducts representation elections. It is most effective when it can act quickly. The House bill proposes to cut the funding of the NLRB by 15 percent below last year's level and \$36 million, or 20 percent, below the President's request. This cut handcuffs the Board's ability to enforce existing laws which protect employers and safeguard employee's rights to organize. This cut will require staffing reductions and office closings that will severely limit service to the public by producing lengthy delays in investigations, trials and elections. This agency has already downsized its staff by one-third since 1980, and each employee must handle 30% more cases than in 1985. At the beginning of this year, the number of backlogged cases was 32 percent higher than a year earlier, and 80 percent higher than five years ago. Under the funding levels proposed in this bill, the backlog of unfair labor practice cases is expected to triple.

In addition, the House bill includes a legislative rider prohibiting the NLRB from moving forward with a proposed rule that reaffirms in clear language the board's criteria for representation by single location bargaining units. This rule would allow lay people, with or without lawyers, to avoid wasteful litigation. (determining the appropriateness for representation by single location bargaining units.) The proposed rule would allow NLRB to better utilize limited resources in processing representation cases. By allowing the Board to conduct these representation cases sooner, it would remove distractions in the workplace that result from protracted organizing campaigns. Ultimately, the rule would save taxpayers, employers and individuals countless dollars in unnecessary legal fees. The rider is an example of political interference with the Board's authority.

Continuing the assault on the NLRB, the subcommittee added a second legislative rider raising the dollar amount of the jurisdictional thresholds of the NLRB. The possible effect of the rider is to limit the jurisdiction of the Board over smaller employers. This leaves both employers and employees in a "no man's land" situation without a set of rules to govern their interaction on labor-management issues.

DISLOCATED WORKERS

Training in job-related skills is the best way to ensure a rising standard of living for ordinary American workers and their families. Over 2.5 million American workers lose their jobs each year due to global competition, corporate downsizing, base closures, and technological changes.

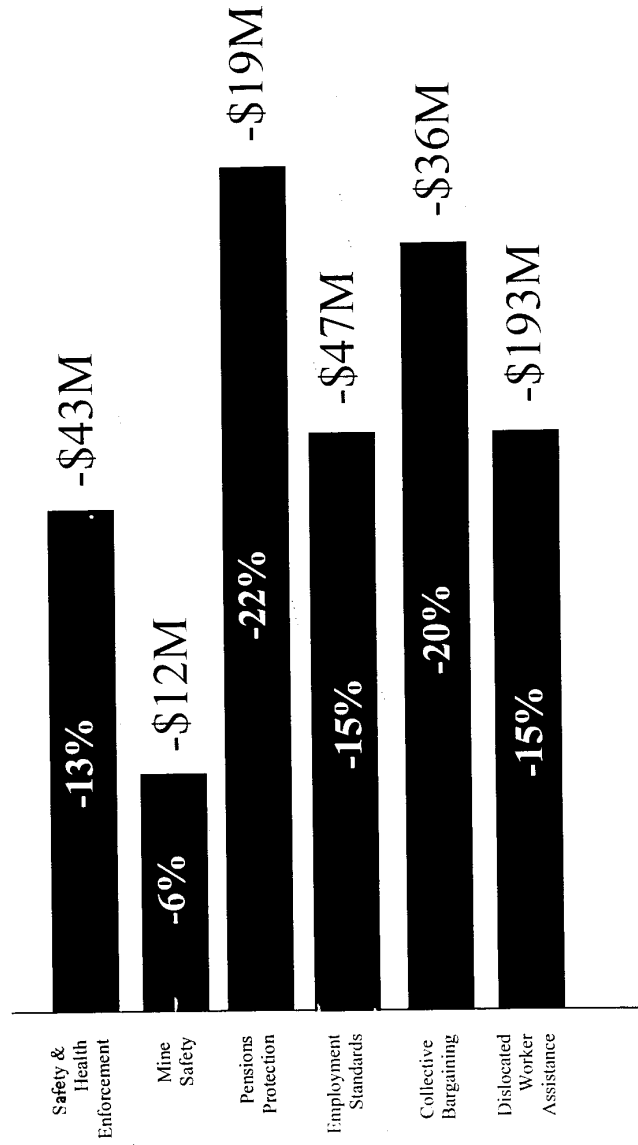
The House bill funds the Dislocated Worker program at \$193 million less than the President's request, resulting in 81,000 fewer laid off workers being served.

The Dislocated Worker program works—70 percent of participants are employed after the program at comparable wages. In California, where defense-related layoffs are continuing, the Federal government has invested nearly \$54 million in dislocated

worker assistance. The funding level sought by the President would have returned the program to the 1995 funding level.

American workers are the engine of our economy. They deserve to be treated with dignity and respect. They also deserve a safe workplace. Despite our budget challenges, we should not retreat on worker protection. This is the wrong place and the wrong time to cut back. American workers and their families deserve better.

Cuts Below The President's Request In Programs Serving American Workers



DIFFERENT NATIONAL PRIORITIES TO BALANCE THE BUDGET

More than any other appropriations bill, the 1997 Labor HHS bill highlights the fundamental differences between the priorities of the Minority and the Majority in the competing plans to balance the budget while addressing the needs of the country. This bill is critically short of resources necessary to educate children and college students, provide health and social services to vulnerable individuals, train workers and ensure workplace safety. Meanwhile, the Majority has provided funding for the military that is \$11 billion more than the Pentagon's request, and totals more than all of our potential adversaries combined. While shortchanging workers and families, the Majority wastes literally billions of dollars on programs such as forcing the Navy to build a new prototype model for the new attack submarine; forcing the Air Force to spend \$336 million for C-130 aircraft that it doesn't need; forcing the Army and Marine Corps to spend millions on unneeded and unwanted ammunition; and a host of other add-ons that are little more than hometown jobs programs for a few favored Members.

The Minority fundamentally disagrees with the Majority on the funding priorities for the nation and opposes the passage of the 1997 appropriations bill for the Departments of Labor, HHS and Education.

STATEMENT OF ADMINISTRATION POLICY AND IMPACT ON INDIVIDUAL STATES

The following attachments include the Statement of Administration Policy and tables which display the state impact of the recommended funding levels for several selected programs in the bill compared to the President's budget request. These estimates were provided by the Federal agencies which administer the programs.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 19, 1996.

Hon. DAVID R. OBEY,
Committee on Appropriations, House of Representatives, Washington, DC.

DEAR CONGRESSMAN OBEY: This letter provides the Administration's views on the Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill, FY 1997, as reported by the Subcommittee. As the Committee develops its version of the bill, your consideration of the Administration's views would be appreciated.

The Administration has previously communicated its strong objection to the overall inadequate discretionary funding level assumed in the House- and Senate-passed Budget Resolutions. The Subcommittee bill would reduce discretionary budget authority by over \$5 billion from the President's request, which we believe is the level that is necessary to address the Nation's needs adequately.

The President strongly believes that we must invest in our country's future by supporting education and training to promote long-term economic growth, and to give average Americans the skills they need to get high-wage jobs, and, thus, raise living standards

both now and in the future. Many of the programs funded in this bill would help us do just that. In addition, many others are aimed at protecting and aiding the most vulnerable individuals in our society. Reductions proposed by the Subcommittee would have a particularly harmful effect by withholding necessary services for children, youth, and the disadvantaged, and by underfunding worker protection.

For these reasons, discussed more fully below, the President's senior advisers would recommend that he veto the bill if it were presented to him in its current form.

Pre-school children

The Head Start program plays a vital role in preparing disadvantaged young children for school; its expansion should be continued, not reversed as in the Subcommittee bill. The President would add \$412 million and 50,000 new slots to the Head Start program in FY 1997. The Subcommittee's action could reduce slots by up to 15,000 compared to FY 1996—assuming that quality is to be maintained—clearly a move in the wrong direction.

Education and training

The Administration is committed to investing in education and training programs that help average Americans build a better future for themselves and their families. More than ever before in our Nation's history, what you earn depends on what you learn. The Subcommittee has systematically targeted those key programs designed to help our youth for the most debilitating cuts.

The Subcommittee's ill-advised decision to terminate funding for Goals 2000 would set back State-based efforts to improve learning for all students and to build a more competitive workforce. The Subcommittee provides none of the funding that the Administration has requested for its education technology initiatives, including \$250 million for the Technology Literacy Challenge Fund, to begin to provide essential stimulus to States to make every child computer literate by the dawn of the 21st century.

The Subcommittee would eliminate aid for hundreds of thousands of children in schools across the country, and would substantially reduce aid for college by funding below the President's request: Education for the Disadvantaged, Safe and Drug Free Schools and Communities, Pell Grants, Perkins Loans, Charter Schools, Bilingual Education, School-to-Work, and other programs. In addition, the Subcommittee bill would eliminate funding for the Eisenhower Professional Development Program, a key teacher training resources. The Subcommittee's recommended funding levels would have a severe negative impact on our Nation's future.

The Subcommittee bill would reduce mandatory spending for the administration of student loan programs from \$595 million to \$420 million. This would make it impossible for the Department of Education to ensure program integrity in all student loan programs and would effectively cap the volume of direct lending. The Administration continues to oppose any cap on direct lending as we did in the FY 1996 appropriations bill.

The Administration strongly opposes the Subcommittee's proposal to cut summer jobs for youth by \$246 million, or 28 percent,

below the President's request. This action would eliminate jobs for 134,000 disadvantaged youth. In addition, the Administration opposes the Subcommittee's decision not to provide the \$250 million requested for the Youth Opportunities Areas initiative for at-risk youth, started under current law this year.

The Subcommittee bill would reduce, by \$290 million, or 13 percent, requested funding to retrain dislocated workers and low-income adults and help them find jobs through One-Stop Career Centers. This would deny training and reemployment services to about 81,000 dislocated workers and 34,000 low-income adults.

Protecting workers

The Subcommittee bill reduces by \$36 million, or 20 percent, the President's request for the National Labor Relations Board and reduces by \$121 million, or 13 percent, the President's request for Labor Department worker protection programs. As a result, there would be fewer workplace inspections, reduced aid to small businesses, and no funding for the President's initiatives to ensure pension protection, reform immigration enforcement, and improve workplace safety and health. In addition, language riders in the bill would inappropriately restrict the ability of enforcement agencies to safeguard child safety, protect workers from ergonomic hazards, and enforce the National Labor Relations Act. The Administration is also concerned that the Subcommittee bill does not fund the National Institute for Occupational Safety and Health or the former Bureau of Mines activities transferred to the Centers for Disease Control at the level in the President's request.

Protecting health and safety

The Subcommittee bill would provide \$812 million for Ryan White AIDS Treatment Grants, \$18 million (two percent) below the comparable FY 1997 request, adjusted for the Ryan White CARE Act amendments of 1996. While the Administration is encouraged that the Subcommittee has increased funding above the President's request specifically for Title II State AIDS Drug Assistance Program activities, we are concerned that other activities in Title II receive \$17 million less than the level requested by the President. The Administration is also concerned that funding provided below the request for some other Titles in the Ryan White CARE Act is not sufficient to keep up with increasing case loads in the 49 cities currently receiving Title I assistance and the 150 local clinics that provide Title III(b) early intervention services to those with or at-risk of developing HIV.

The Administration is also concerned that the Subcommittee bill does not appropriate a specific amount for AIDS research through a single appropriation for the National Institutes of Health's (NIH's) Office of AIDS Research as requested in the President's budget. The single appropriation helps NIH target NIH research funds effectively, minimizing duplication and inefficiencies across the 21 institutes and centers that carry out HIV/AIDS research.

The Subcommittee has reduced funding for the Substance Abuse and Mental Health Services Administration (SAMHSA) by \$251 million (12 percent) below the President's request. SAMHSA supports vital substance abuse and mental health services to many un-

derserved Americans, such as pregnant women and high-risk youth. The Subcommittee's funding level would undermine the anti-drug abuse strategy developed by General McCaffrey, Director of the Office of National Drug Control Policy.

The Administration is disappointed that the Subcommittee has not funded several important programs of the Centers for Disease Control, including polio eradication and the HIV prevention program, at the President's request.

The Administration is concerned that the Subcommittee has not provided the full funding requested for the essential Violence Against Women programs.

Combating health care fraud and abuse

The Subcommittee mark does not include any discretionary appropriations for Health Care Financing Administration (HCFA) and HHS Office of Inspector General (HHS IG) Medicare anti-fraud activities, which totaled roughly \$440 million in FY 1996. Rather, the Subcommittee mark assumes enactment of H.R. 3103 (health insurance reform), which would provide approximately \$500 million in mandatory funding for Medicare anti-fraud and abuse activities at HCFA and the HHS IG. If HR 3101 is not enacted, approximately \$440 million in additional discretionary appropriations would need to be identified to continue HCFA and HHS IG activities in this important area.

The Subcommittee mark provides \$158 million for Medicare survey and certification activities, \$15.8 million below the President's request of \$173.8 million. The President's request is necessary to make timely responses to beneficiary complaints and to continue reducing survey backlogs for facilities other than home health agencies.

Additional Administration concerns with the Subcommittee bill are contained in the enclosure. We look forward to working with the Committee to address our mutual concerns.

Sincerely,

JACOB J. LEW, *Acting Director.*

Enclosure.

ADDITIONAL CONCERNS, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES APPROPRIATIONS BILL, FY 1997—(AS REPORTED BY THE HOUSE SUBCOMMITTEE)

The Administration looks forward to working with the Congress to address the following concerns.

DEPARTMENT OF LABOR

Youth Opportunity Areas. The Subcommittee bill does not provide \$250 million for the President's initiative for out-of-school youth now underway under current law. The initiative would provide approximately \$14 million a year to each of 15–20 high poverty urban and rural areas to increase dramatically employment of out-of-school youth.

Dislocated Workers. The Subcommittee bill funds dislocated worker assistance at \$1.1 billion, \$193 million below the Presi-

dent's request. This would reduce participation by about 81,000 relative to the President's proposal. The Administration strongly opposes language to permit unlimited transfers of funds between dislocated worker and adult training programs.

Senior Community Service Employment Program. The Subcommittee reduces the share of funds for the national contractors (e.g. AARP, NCSC, Green Thumb) by almost 15 percent. These contractors would be unable to provide about 8,000 job opportunities for disadvantaged senior citizens in communities throughout the Nation.

Veterans Employment and Training. The Subcommittee reduces funding for State grants by eight percent below the President's request, and two percent below the FY 1996 enacted level. This action would result in about 28,000 fewer veterans being placed in jobs.

OSHA Ergonomic Protection Regulation. The Administration strongly objects to the Subcommittee's attempt to prohibit OSHA from developing or issuing any proposed or final ergonomic protection standard or voluntary guidelines, and performing related record-keeping. Workers' compensation claims will be filed by 2.7 million workers for these repetitive motion injuries and illnesses this year, costing American employers more than \$20 billion in direct costs alone.

DOL Chief Financial Officer (CFO). The bill includes language that inappropriately attempts to intervene in the internal organization of the Department of Labor. The Department is working closely with the Office of Management and Budget to finalize its CFO structure and should not be impeded by bill language.

One-Stop Career Centers. Funding for this initiative is \$40 million below the President's request. As a result, nine States would not be able to receive grants to implement the centers, which are key to adult training and services reform now, and which are included in the House-passed CAREERS Act.

Employment Service. The Subcommittee cuts \$76 million from the President's request, to a level that is nine percent below the request and six percent below FY 1996. The Employment Service makes a key contribution to a consolidated training and reemployment system by providing up-front information and job matching services to all applicants.

Unemployment Insurance Administration. The Subcommittee cuts this program \$131 million below the President's request. The requested level reflects the amount necessary to process the projected workload for unemployment benefits and tax collections.

Appropriations Language Affecting Employee Benefit Programs. The Administration urges restoration of the appropriations language included in the President's budget, which would: (1) guarantee speedy provision of employee pension benefits in the event of unexpected plan terminations; and, (2) cure accounting problems in the Black Lung Disability Trust Fund.

Child Labor Regulations. The Subcommittee bill includes riders limiting the Department of Labor's ability to implement and enforce regulations for minors' use of paper balers and motor vehicles. This action could result in a higher likelihood of injury and death to minors working in these areas.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Family Planning. The Administration is concerned that the Chairman's mark of \$193 million for Title X Family Planning grants is \$5 million below the request of \$198 million. The increase proposed in the FY 1997 Budget would allow an additional 20,000 individuals to receive family planning services over FY 1996.

Violence Against Women Act (VAWA) Programs. The Subcommittee bill fails to fully fund VAWA programs in both the Administration for Children and Families (ACF) and the Centers for Disease Control (CDC). The \$60 million provided for ACF is \$8 million less than requested and authorized, and underfunds the Reduction of Sexual Abuse of Runaway and Homeless Youth program. The \$34 million provided by the Subcommittee for CDC's VAWA programs is \$7.4 million less than the FY 1997 authorization and amended request. Furthermore, there is no funding for the \$30 million teen pregnancy prevention initiative. Finally, the bill provides \$950 million for the child care development block grant, \$99 million below the Administration's request of \$1,049 million.

Substance Abuse and Mental Health Services Administration (SAMHSA). The Subcommittee's \$88 million (seven-percent) reduction to the President's request for Substance Abuse Performance Partnership grants would reduce the funding available to States to combat drug abuse among America's youth. The Subcommittee's combined \$181 million (44-percent) reduction to the President's requests for SAMHSA Knowledge Development and Application programs is also troubling and could impair progress in research and dissemination of important new ways to treat and prevent substance abuse and to help those with mental health disorders.

Centers for Disease Control (CDC). The Administration is concerned that the Subcommittee has not provided the funding level requested in the President's budget for several important programs in CDC. The \$20 million increase requested for polio eradication is necessary to take advantage of a historic opportunity to protect all future generations of our Nation's children from this disease without hurting our domestic immunization efforts. The Administration is also concerned that the Subcommittee has provided less than half of the \$32 million increase requested for CDC's HIV prevention program.

Mine Safety. The Administration is concerned that the Subcommittee has not provided any of the \$32 million requested for the mine safety and health functions transferred from the Department of the Interior to the Centers for Disease Control (CDC).

Infectious Disease. While the Administration is pleased that the Subcommittee has provided a \$20 million increase for CDC's infectious disease activity, the Subcommittee mark falls \$6 million short of the \$88 million level requested in the President's budget necessary to expand the Nation's defenses against drug-resistant bacteria, emerging infections, and other dangerous pathogens.

Other Administration for Children and Families (ACF) and Administration on Aging (AoA) Programs. The Subcommittee proposes significant reductions below the President's request for ACF Services programs. The bill does not fully fund the child welfare innovation program (\$39 million requested); eliminates funding for com-

munity-based resource centers (\$51 million requested); and reduces funding for developmental disabilities (by \$13 million).

In addition, the Subcommittee provides no funding for community schools within the violent crime reduction programs (\$14 million requested), cuts AoA programs (by \$18 million), and research grants for both ACF and the Administration on Aging are eliminated (\$22 million requested). The \$142 million in funding added above the requested level of \$390 million for the Community Services Block Grant (CSBG) would be better used for higher priority programs such as Head Start or Violence Against Women Act programs.

Medicare Survey and Certification Activities. The Subcommittee mark provides \$15.8 million below the President's request for survey and certification activities. The President's request is necessary to make timely responses to beneficiary complaints, including allegations of patient dumping and abuse, and to continue reducing survey backlogs for facilities other than home health agencies. The Subcommittee report assumes that additional resources will be made available through legislative changes enacted in PL 104-134. The Administration does not believe that these additional resources would make up the difference between the Subcommittee mark and the President's request.

Office for Civil Rights (OCR). The Subcommittee bill cuts OCR funding by \$2.4 million (11 percent) below the request. This reduction in FY 1997 would exacerbate the backlog of discrimination cases resulting from the FY 1996 funding cut and could lead to a curtailment of compliance activities. The Administration urges that OCR funding be restored to the level requested in the FY 1997 Budget.

Agency for Health Care Policy and Research (AHCPR). The Administration is concerned that the Subcommittee includes a program level that is \$19 million less than was requested in the President's budget.

Anti-Terrorism. The Subcommittee fails to provide the requested \$5 million in funding for anti-terrorism activities. This action would delay HHS' ability to carry out its national anti-terrorism program planned for FY 1997.

National Institutes of Health (NIH)—Clinical Research Center. The Subcommittee would appropriate funding for the Clinical Research Center incrementally instead of fully funding the \$310 million request. The Administration supports full-funding of fixed assets.

DEPARTMENT OF EDUCATION

Pell Grants. The maximum award level is increased slightly, by \$30, in the Subcommittee bill but is still \$200 below the President's proposal of \$2,700. Under the President's proposal, 107,000 more students would be served than under the Subcommittee bill.

Safe and Drug-Free Schools and Communities. This program is reduced by \$25 million below FY 1996, eliminating funds for national programs and reducing State grants \$74 million below the President's request. These cuts put millions of children and teachers at an increased risk of violence in their schools.

Educational Technology. The Subcommittee has cut the education technology program by \$277 million below the President's request, providing no funding for the President's Technology Literary Challenge Fund initiative to help all States leverage the resources necessary to integrate technology into their school curriculum.

Charter Schools. The Subcommittee has failed to provide any increase above the FY 1996 enacted level, leaving funding at \$22 million, or 55 percent, below the President's request. At the Subcommittee level, 300 fewer Charter Schools could receive start-up funds than under the President's proposal.

Title I. The Education for the Disadvantaged program is funded at \$475 million below the President's request, eliminating almost 450,000 children from the poorest communities from being served.

Special Education. The Subcommittee provides \$307 million below the President's request. At this diminished level, States would have to serve about 170,000 more children with disabilities in FY 1997 without additional Federal funding.

School-to-Work. Funding for this program is frozen at the FY 1996 level, \$50 million below the President's request. Along with the comparable level in the Labor Department, this funding level would prevent the remaining 10–12 States from receiving implementation grants.

Perkins Loans. The Subcommittee bill terminates new funding for the Perkins Loans program, compared to the Administration's request for a \$65 million increase, thereby eliminating aid to 151,000 students

Eisenhower Professional Development. The Subcommittee bill terminates funding for this program and folds it into the Innovative Education Programs Strategies block grant. The President requests \$410 million for this program, to help teachers in every State improve their skills.

Comprehensive Regional Technical Assistance Centers. The Subcommittee bill funds these Centers at \$22 million, \$23 million, or 51 percent, below the President's request. The Centers help schools and school districts in every State implement comprehensive reforms and improve teaching and learning.

Bilingual and Immigrant Education. The Subcommittee funds Bilingual Education at \$117 million, \$39 million below the President's request, zeroing out funding for professional development and support services. The bill funds Immigrant Education \$50 million below the request of \$100 million. At this level, the Federal government would provide only \$61 for each of the 822,000 students. The President's request would double the per-pupil amount to \$122.

OTHER INDEPENDENT AGENCIES

Social Security Administration (SSA)—Administrative Expenses. The Subcommittee bill unnecessarily increases budgetary resources related to SSA administrative expenses subject to the current discretionary caps by \$100 million above the President's request.

While increasing the President's request by \$100 million, the Subcommittee has increased the amount allocated to the Old Age Survivors and Disability Insurance (OASDI) trust funds by \$258

million and reduced the amounts allocated to the Supplementary Security Income (SSI) appropriation and the Hospital Insurance/Supplementary Medical Insurance trust funds by \$158 million. By not distributing the increase based on workload estimates across all funding sources, the Subcommittee action has the effect of reducing budget authority at the same time that it increases spending. The Administration strongly objects to this scorekeeping gimmick to mask new spending. Only by making estimates consistent with SSA's cost analysis system can there be assurance that the OASDI trust funds and the general fund bear their fair shares of the administrative costs of SSA's programs. The Administration's scoring of the appropriations bill will reflect the appropriate allocation of these funds.

National Labor Relations Board (NLRB). The Subcommittee bill reduces funding for NLRB by \$26 million, or about 15 percent, below FY 1996 and \$36 million below the President's request. The Subcommittee would continue a rider from the FY 1996 omnibus appropriations bill prohibiting the NLRB from promulgating a proposed rule and single-unit bargaining locations. This rider will preclude agency efforts to use its rulemaking authority in an effort to reduce time-consuming and costly litigation. The Subcommittee also includes a limitation that would require NLRB to index to inflation the 1959 jurisdictional thresholds that set the level of interstate commerce (by industry) used to determine coverage under the National Labor Relations Act. While there is no empirical evidence to demonstrate that a change in jurisdictional thresholds will increase or decrease NLRB's caseload, this change is an improper justification for the 15-percent reduction.

Corporation for National and Community Service. The Subcommittee has reduced the funds provided for national service under this appropriation by \$24 million, almost 11 percent below the President's budget. This would deny over 800 AmeriCorps*VISTA participants the opportunity to serve their communities and earn an education award. In addition, almost 80,000 senior citizens would lose the opportunity to serve the frail elderly, and disadvantaged/disabled young people in their communities through the National Senior Service Corps programs, Retired and Senior Volunteer Program, Foster Grandparent Program, and Senior Companion Program.

Corporation for Public Broadcasting (CPB). The Administration is concerned with the sharp Subcommittee's reduction in funding for CPB. The Administration is committed to providing the necessary resources for quality public television programming and production.

Railroad Retirement Board (RRB). The Subcommittee bill includes language prohibiting the Inspector General from using funds for any audit, investigation, or review of the Medicare program. RRB has statutory authority to administer a separate contract for RRB Part B Medicare claims. The Administration believes that this language should be deleted. As long as RRB has authority to negotiate and administer a separate Medicare contract, the RRB Inspector General ought not to be prohibited from using funds to review, audit, or investigate activity related to that contract.

Armed Forces Retirement Home. The Subcommittee bill would reduce funding by more than five percent for the U.S. Soldiers' and Airmen's Home in Washington, D.C., and the Navy Home in Gulfport, Mississippi. A reduction-in-force and other severe reductions in operating costs would be required to absorb this significant funding reduction.

ALASKA

Lost \$13,724,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Alaska cut
Adult Training	\$97,000,000	\$293,000
Summer Youth	246,000,000	733,000
Dislocated Workers Assistance	193,000,000	536,000
Child Care Block Grants	98,825,000	198,000
Social Services Block Grants	320,000,000	741,000
Head Start	381,028,000	718,000
Goals 2000	476,652,000	2,016,000
Title I ESEA LEA Grants	434,652,000	1,014,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	758,000
Vocational Education	27,250,000	221,000
Adult Education	40,000,000	55,000
Technology Literacy	250,000,000	1,250,000

ALABAMA

Lost \$57,400,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Alabama cut
Adult Training	\$97,000,000	\$1,560,000
Summer Youth	246,000,000	3,880,000
Dislocated Workers Assistance	193,000,000	2,258,000
Child Care Block Grants	98,825,000	2,089,000
Social Services Block Grants	320,000,000	5,157,000
Head Start	381,028,000	5,555,000
Goals 2000	476,652,000	7,896,000
Title I ESEA LEA Grants	434,652,000	6,775,000
Safe and Drug-Free Schools	74,022,000	1,196,000
Teacher Training	610,000,000	10,079,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	4,191,000
Vocational Education	27,250,000	600,000
Adult Education	40,000,000	870,000
Technology Literacy	250,000,000	4,453,000

ARKANSAS

Lost \$34,078,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Arkansas cut
Adult Training	\$97,000,000	\$800,000
Summer Youth	246,000,000	1,958,000
Dislocated Workers Assistance	193,000,000	900,000
Child Care Block Grants	98,825,000	1,167,000
Social Services Block Grants	320,000,000	2,998,000

Program	Nationwide cut	Arkansas cut
Head Start	381,028,000	3,390,000
Goals 2000	476,652,000	4,800,000
Title I ESEA LEA Grants	434,652,000	4,744,000
Safe and Drug-Free Schools	74,022,000	717,000
Teacher Training	610,000,000	6,045,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	2,498,000
Vocational Education	27,250,000	352,000
Adult Education	40,000,000	509,000
Technology Literacy	250,000,000	2,662,000

AMERICAN SAMOA

Lost \$2,174,012 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Samoa cut
Adult Training	\$97,000,000	\$18,000
Summer Youth	246,000,000	19,000
Dislocated Workers Assistance	193,000,000	29,000
Child Care Block Grants	98,825,000	0
Social Services Block Grants	320,000,000	12
Head Start	381,028,000	0
Goals 2000	476,652,000	248,000
Title I ESEA LEA Grants	434,652,000	462,000
Safe and Drug-Free Schools	74,022,000	127,000
Teacher Training	610,000,000	523,000
Immigrant Education	50,000,000	94,000
Special Education	279,410,000	297,000
Vocational Education	27,250,000	0
Adult Education	40,000,000	11,000
Technology Literacy	250,000,000	301,000

ARIZONA

Lost \$48,742,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Arizona cut
Adult Training	\$97,000,000	\$1,572,000
Summer Youth	246,000,000	4,004,000
Dislocated Workers Assistance	193,000,000	2,082,000
Child Care Block Grants	98,825,000	1,784,000
Social Services Block Grants	320,000,000	4,981,000
Head Start	381,028,000	5,937,000
Goals 2000	476,652,000	7,221,000
Title I ESEA LEA Grants	434,652,000	8,399,000
Safe and Drug-Free Schools	74,022,000	1,068,000
Teacher Training	610,000,000	9,005,000
Immigrant Education	50,000,000	1,504,000
Special Education	279,410,000	4,440,000
Vocational Education	27,250,000	516,000
Adult Education	40,000,000	554,000
Technology Literacy	250,000,000	3,492,000

CALIFORNIA

Lost \$480,104,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	California cut
Adult Training	\$97,000,000	\$17,090,000
Summer Youth	246,000,000	43,746,000
Dislocated Workers Assistance	193,000,000	34,039,000
Child Care Block Grants	98,825,000	11,272,000
Social Services Block Grants	320,000,000	38,418,000
Head Start	381,028,000	48,569,000
Goals 2000	476,652,000	54,799,000
Title I ESEA LEA Grants	434,652,000	66,438,000
Safe and Drug-Free Schools	74,022,000	7,948,000
Teacher Training	610,000,000	66,498,000
Immigrant Education	50,000,000	14,367,000
Special Education	279,410,000	33,344,000
Vocational Education	27,250,000	3,302,000
Adult Education	40,000,000	4,997,000
Technology Literacy	250,000,000	25,848,000

COLORADO

Lost \$37,396,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Colorado cut
Adult Training	\$97,000,000	\$822,000
Summer Youth	246,000,000	2,038,000
Dislocated Workers Assistance	193,000,000	864,000
Child Care Block Grants	98,825,000	1,086,000
Social Services Block Grants	320,000,000	4,469,000
Head Start	381,028,000	3,617,000
Goals 2000	476,652,000	5,585,000
Title I ESEA LEA Grants	434,652,000	2,947,000
Safe and Drug-Free Schools	74,022,000	857,000
Teacher Training	610,000,000	7,054,000
Immigrant Education	50,000,000	379,000
Special Education	279,410,000	3,871,000
Vocational Education	27,250,000	402,000
Adult Education	40,000,000	384,000
Technology Literacy	250,000,000	2,337,000

CONNECTICUT

Lost \$30,789,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Connecticut cut
Adult Training	\$97,000,000	\$841,000
Summer Youth	246,000,000	2,070,000
Dislocated Workers Assistance	193,000,000	1,850,000
Child Care Block Grants	98,825,000	709,000
Social Services Block Grants	320,000,000	4,003,000
Head Start	381,028,000	2,927,000
Goals 2000	476,652,000	4,453,000
Title I ESEA LEA Grants	434,652,000	1,255,000
Safe and Drug-Free Schools	74,022,000	677,000
Teacher Training	610,000,000	5,600,000
Immigrant Education	50,000,000	223,000
Special Education	279,410,000	3,103,000
Vocational Education	27,250,000	269,000
Adult Education	40,000,000	482,000
Technology Literacy	250,000,000	1,853,000

DISTRICT OF COLUMBIA

Lost \$12,421,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	District of Columbia cut
Adult Training	\$97,000,000	\$390,000
Summer Youth	246,000,000	959,000
Dislocated Workers Assistance	193,000,000	798,000
Child Care Block Grants	98,825,000	188,000
Social Services Block Grants	320,000,000	697,000
Head Start	381,028,000	1,170,000
Goals 2000	476,652,000	1,895,000
Title I ESEA LEA Grants	434,652,000	738,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	193,000
Special Education	279,410,000	451,000
Vocational Education	27,250,000	148,000
Adult Education	40,000,000	114,000
Technology Literacy	250,000,000	1,250,000

DELAWARE

Lost \$11,041,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Delaware cut
Adult Training	\$97,000,000	\$242,000
Summer Youth	246,000,000	603,000
Dislocated Workers Assistance	193,000,000	216,000
Child Care Block Grants	98,825,000	194,000
Social Services Block Grants	320,000,000	863,000
Head Start	381,028,000	604,000
Goals 2000	476,652,000	1,742,000
Title I ESEA LEA Grants	434,652,000	1,056,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	661,000
Vocational Education	27,250,000	41,000
Adult Education	40,000,000	101,000
Technology Literacy	250,000,000	1,250,000

FLORIDA

Lost \$154,992,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Florida cut
Adult Training	\$97,000,000	\$4,640,000
Summer Youth	246,000,000	11,172,000
Dislocated Workers Assistance	193,000,000	7,558,000
Child Care Block Grants	98,825,000	4,848,000
Social Services Block Grants	320,000,000	17,055,000
Head Start	381,028,000	15,780,000
Goals 2000	476,652,000	20,881,000
Title I ESEA LEA Grants	434,652,000	11,138,000
Safe and Drug-Free Schools	74,022,000	3,140,000
Teacher Training	610,000,000	25,876,000
Immigrant Education	50,000,000	5,583,000
Special Education	279,410,000	10,995,000
Vocational Education	27,250,000	1,409,000

Program	Nationwide cut	Florida cut
Adult Education	40,000,000	2,322,000
Technology Literacy	250,000,000	9,874,000

GEORGIA

Lost \$84,096,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Georgia cut
Adult Training	\$97,000,000	\$1,833,000
Summer Youth	246,000,000	4,646,000
Dislocated Workers Assistance	193,000,000	2,729,000
Child Care Block Grants	98,825,000	3,099,000
Social Services Block Grants	320,000,000	8,623,000
Head Start	381,028,000	9,803,000
Goals 2000	476,652,000	12,097,000
Title I ESEA LEA Grants	434,652,000	6,604,000
Safe and Drug-Free Schools	74,022,000	1,895,000
Teacher Training	610,000,000	15,386,000
Immigrant Education	50,000,000	544,000
Special Education	279,410,000	7,593,000
Vocational Education	27,250,000	898,000
Adult Education	40,000,000	1,248,000
Technology Literacy	250,000,000	5,958,000

GUAM

Lost \$3,936,276 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Guam cut
Adult Training	\$97,000,000	\$52,000
Summer Youth	246,000,000	228,000
Dislocated Workers Assistance	193,000,000	82,000
Child Care Block Grants	98,825,000	221
Social Services Block Grants	320,000,000	55
Head Start	381,028,000	0
Goals 2000	476,652,000	262,000
Title I ESEA LEA Grants	434,652,000	471,000
Safe and Drug-Free Schools	74,022,000	296,000
Teacher Training	610,000,000	1,220,000
Immigrant Education	50,000,000	248,000
Special Education	279,410,000	718,000
Vocational Education	27,250,000	0
Adult Education	40,000,000	21,000
Technology Literacy	250,000,000	293,000

HAWAII

Lost \$13,681,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Hawaii cut
Adult Training	\$97,000,000	\$419,000
Summer Youth	246,000,000	989,000
Dislocated Workers Assistance	193,000,000	595,000
Child Care Block Grants	98,825,000	342,000
Social Services Block Grants	320,000,000	1,441,000
Head Start	381,028,000	1,112,000
Goals 2000	476,652,000	1,831,000
Title I ESEA LEA Grants	434,652,000	557,000

Program	Nationwide cut	Hawaii cut
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	177,000
Special Education	279,410,000	1,079,000
Vocational Education	27,250,000	242,000
Adult Education	40,000,000	147,000
Technology Literacy	250,000,000	1,250,000

IOWA

Lost \$25,896,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Iowa cut
Adult Training	\$97,000,000	\$447,000
Summer Youth	246,000,000	1,066,000
Dislocated Workers Assistance	193,000,000	594,000
Child Care Block Grants	98,825,000	920,000
Social Services Block Grants	320,000,000	3,458,000
Head Start	381,028,000	2,863,000
Goals 2000	476,652,000	4,261,000
Title I ESEA LEA Grants	434,652,000	247,000
Safe and Drug-Free Schools	74,022,000	663,000
Teacher Training	610,000,000	5,458,000
Immigrant Education	50,000,000	139,000
Special Education	279,410,000	2,836,000
Vocational Education	27,250,000	361,000
Adult Education	40,000,000	380,000
Technology Literacy	250,000,000	1,808,000

IDAHO

Lost \$14,112,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Idaho cut
Adult Training	\$97,000,000	\$342,000
Summer Youth	246,000,000	872,000
Dislocated Workers Assistance	193,000,000	515,000
Child Care Block Grants	98,825,000	495,000
Social Services Block Grants	320,000,000	1,385,000
Head Start	381,028,000	1,134,000
Goals 2000	476,652,000	2,073,000
Title I ESEA LEA Grants	434,652,000	328,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	211,000
Special Education	279,410,000	1,388,000
Vocational Education	27,250,000	172,000
Adult Education	40,000,000	141,000
Technology Literacy	250,000,000	1,250,000

ILLINOIS

Lost \$163,848,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Illinois cut
Adult Training	\$97,000,000	\$3,726,000
Summer Youth	246,000,000	9,338,000
Dislocated Workers Assistance	193,000,000	5,861,000

Program	Nationwide cut	Illinois cut
Child Care Block Grants	98,825,000	3,661,000
Social Services Block Grants	320,000,000	14,364,000
Head Start	381,028,000	15,394,000
Goals 2000	476,652,000	20,965,000
Title I ESEA LEA Grants	434,652,000	29,078,000
Safe and Drug-Free Schools	74,022,000	3,218,000
Teacher Training	610,000,000	26,932,000
Immigrant Education	50,000,000	3,521,000
Special Education	279,410,000	11,588,000
Vocational Education	27,250,000	1,215,000
Adult Education	40,000,000	1,847,000
Technology Literacy	250,000,000	11,433,000

INDIANA

Lost \$54,896,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Indiana cut
Adult Training	\$97,000,000	\$1,512,000
Summer Youth	246,000,000	3,789,000
Dislocated Workers Assistance	193,000,000	1,843,000
Child Care Block Grants	98,825,000	1,835,000
Social Services Block Grants	320,000,000	7,031,000
Head Start	381,028,000	5,735,000
Goals 2000	476,652,000	8,734,000
Title I ESEA LEA Grants	434,652,000	542,000
Safe and Drug-Free Schools	74,022,000	1,340,000
Teacher Training	610,000,000	11,106,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	5,059,000
Vocational Education	27,250,000	736,000
Adult Education	40,000,000	921,000
Technology Literacy	250,000,000	3,861,000

KANSAS

Lost \$26,266,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Kansas cut
Adult Training	\$97,000,000	\$525,000
Summer Youth	246,000,000	1,287,000
Dislocated Workers Assistance	193,000,000	934,000
Child Care Block Grants	98,825,000	875,000
Social Services Block Grants	320,000,000	3,122,000
Head Start	381,028,000	2,601,000
Goals 2000	476,652,000	4,351,000
Title I ESEA LEA Grants	434,652,000	373,000
Safe and Drug-Free Schools	74,022,000	642,000
Teacher Training	610,000,000	5,308,000
Immigrant Education	50,000,000	266,000
Special Education	279,410,000	2,783,000
Vocational Education	27,250,000	308,000
Adult Education	40,000,000	324,000
Technology Literacy	250,000,000	1,859,000

KENTUCKY

Lost \$54,549,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Kentucky cut
Adult Training	\$97,000,000	\$1,405,000
Summer Youth	246,000,000	3,363,000
Dislocated Workers Assistance	193,000,000	1,516,000
Child Care Block Grants	98,825,000	1,790,000
Social Services Block Grants	320,000,000	4,678,000
Head Start	381,028,000	5,804,000
Goals 2000	476,652,000	7,710,000
Title I ESEA LEA Grants	434,652,000	6,994,000
Safe and Drug-Free Schools	74,022,000	1,152,000
Teacher Training	610,000,000	9,650,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	3,799,000
Vocational Education	27,250,000	552,000
Adult Education	40,000,000	830,000
Technology Literacy	250,000,000	4,430,000

LOUISIANA

Lost \$88,017,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Louisiana cut
Adult Training	\$97,000,000	\$2,413,000
Summer Youth	246,000,000	6,059,000
Dislocated Workers Assistance	193,000,000	3,715,000
Child Care Block Grants	98,825,000	2,705,000
Social Services Block Grants	320,000,000	5,274,000
Head Start	381,028,000	8,930,000
Goals 2000	476,652,000	10,577,000
Title I ESEA LEA Grants	434,652,000	18,857,000
Safe and Drug-Free Schools	74,022,000	1,608,000
Teacher Training	610,000,000	13,583,000
Immigrant Education	50,000,000	143,000
Special Education	279,410,000	5,000,000
Vocational Education	27,250,000	649,000
Adult Education	40,000,000	845,000
Technology Literacy	250,000,000	6,737,000

MASSACHUSETTS

Lost \$64,025,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Massachusetts cut
Adult Training	\$97,000,000	\$1,942,000
Summer Youth	246,000,000	4,846,000
Dislocated Workers Assistance	193,000,000	3,642,000
Child Care Block Grants	98,825,000	1,366,000
Social Services Block Grants	320,000,000	7,384,000
Head Start	381,028,000	5,928,000
Goals 2000	476,652,000	8,846,000
Title I ESEA LEA Grants	434,652,000	4,001,000
Safe and Drug-Free Schools	74,022,000	1,361,000
Teacher Training	610,000,000	11,240,000
Immigrant Education	50,000,000	1,070,000
Special Education	279,410,000	5,631,000
Vocational Education	27,250,000	824,000
Adult Education	40,000,000	844,000
Technology Literacy	250,000,000	4,284,000

MARYLAND

Lost \$49,957,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Maryland cut
Adult Training	\$97,000,000	\$1,266,000
Summer Youth	246,000,000	3,094,000
Dislocated Workers Assistance	193,000,000	2,193,000
Child Care Block Grants	98,825,000	1,266,000
Social Services Block Grants	320,000,000	6,119,000
Head Start	381,028,000	4,334,000
Goals 2000	476,652,000	7,070,000
Title I ESEA LEA Grants	434,652,000	4,442,000
Safe and Drug-Free Schools	74,022,000	1,101,000
Teacher Training	610,000,000	9,038,000
Immigrant Education	50,000,000	494,000
Special Education	279,410,000	4,698,000
Vocational Education	27,250,000	448,000
Adult Education	40,000,000	713,000
Technology Literacy	250,000,000	3,051,000

MAINE

Lost \$14,569,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Maine cut
Adult Training	\$97,000,000	\$475,000
Summer Youth	246,000,000	1,161,000
Dislocated Workers Assistance	193,000,000	917,000
Child Care Block Grants	98,825,000	395,000
Social Services Block Grants	320,000,000	1,516,000
Head Start	381,028,000	1,295,000
Goals 2000	476,652,000	2,147,000
Title I ESEA LEA Grants	434,652,000	223,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	25,000
Special Education	279,410,000	1,134,000
Vocational Education	27,250,000	153,000
Adult Education	40,000,000	183,000
Technology Literacy	250,000,000	1,250,000

MICHIGAN

Lost \$136,066,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Michigan cut
Adult Training	\$97,000,000	\$3,252,000
Summer Youth	246,000,000	8,275,000
Dislocated Workers Assistance	193,000,000	4,737,000
Child Care Block Grants	98,825,000	2,934,000
Social Services Block Grants	320,000,000	11,607,000
Head Start	381,028,000	14,420,000
Goals 2000	476,652,000	19,081,000
Title I ESEA LEA Grants	434,652,000	18,358,000
Safe and Drug-Free Schools	74,022,000	2,888,000
Teacher Training	610,000,000	24,140,000
Immigrant Education	50,000,000	365,000
Special Education	279,410,000	10,175,000
Vocational Education	27,250,000	1,104,000

Program	Nationwide cut	Michigan cut
Adult Education	40,000,000	1,479,000
Technology Literacy	250,000,000	10,825,000

MINNESOTA

Lost \$44,223,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Minnesota cut
Adult Training	\$97,000,000	\$915,000
Summer Youth	246,000,000	2,289,000
Dislocated Workers Assistance	193,000,000	1,085,000
Child Care Block Grants	98,825,000	1,365,000
Social Services Block Grants	320,000,000	5,582,000
Head Start	381,028,000	4,498,000
Goals 2000	476,652,000	7,140,000
Title I ESEA LEA Grants	434,652,000	1,012,000
Safe and Drug-Free Schools	74,022,000	1,081,000
Teacher Training	610,000,000	9,021,000
Immigrant Education	50,000,000	240,000
Special Education	279,410,000	4,954,000
Vocational Education	27,250,000	507,000
Adult Education	40,000,000	542,000
Technology Literacy	250,000,000	2,914,000

MISSOURI

Lost \$59,382,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Missouri cut
Adult Training	\$97,000,000	\$1,441,000
Summer Youth	246,000,000	3,547,000
Dislocated Workers Assistance	193,000,000	1,878,000
Child Care Block Grants	98,825,000	1,795,000
Social Services Block Grants	320,000,000	6,451,000
Head Start	381,028,000	6,588,000
Goals 2000	476,652,000	8,574,000
Title I ESEA LEA Grants	434,652,000	5,070,000
Safe and Drug-Free Schools	74,022,000	1,315,000
Teacher Training	610,000,000	10,978,000
Immigrant Education	50,000,000	136,000
Special Education	279,410,000	5,279,000
Vocational Education	27,250,000	634,000
Adult Education	40,000,000	889,000
Technology Literacy	250,000,000	4,076,000

MISSISSIPPI

Lost \$55,058,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Mississippi cut
Adult Training	\$97,000,000	\$1,155,000
Summer Youth	246,000,000	3,075,000
Dislocated Workers Assistance	193,000,000	1,667,000
Child Care Block Grants	98,825,000	1,780,000
Social Services Block Grants	320,000,000	3,262,000
Head Start	381,028,000	5,495,000
Goals 2000	476,652,000	6,746,000
Title I ESEA LEA Grants	434,652,000	13,267,000

Program	Nationwide cut	Mississippi cut
Safe and Drug-Free Schools	74,022,000	1,026,000
Teacher Training	610,000,000	8,676,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	2,936,000
Vocational Education	27,250,000	415,000
Adult Education	40,000,000	571,000
Technology Literacy	250,000,000	4,424,000

MONTANA

Lost \$12,998,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Montana cut
Adult Training	\$97,000,000	\$297,000
Summer Youth	246,000,000	692,000
Dislocated Workers Assistance	193,000,000	363,000
Child Care Block Grants	98,825,000	325,000
Social Services Block Grants	320,000,000	1,046,000
Head Start	381,028,000	1,128,000
Goals 2000	476,652,000	2,045,000
Title I ESEA LEA Grants	434,652,000	815,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	11,000
Special Education	279,410,000	833,000
Vocational Education	27,250,000	192,000
Adult Education	40,000,000	108,000
Technology Literacy	250,000,000	1,250,000

NORTH CAROLINA

Lost \$70,089,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	North Carolina cut
Adult Training	\$97,000,000	\$1,577,000
Summer Youth	246,000,000	3,853,000
Dislocated Workers Assistance	193,000,000	1,788,000
Child Care Block Grants	98,825,000	2,772,000
Social Services Block Grants	320,000,000	8,642,000
Head Start	381,028,000	7,876,000
Goals 2000	476,652,000	10,327,000
Title I ESEA LEA Grants	434,652,000	3,175,000
Safe and Drug-Free Schools	74,022,000	1,586,000
Teacher Training	610,000,000	13,114,000
Immigrant Education	50,000,000	16,000
Special Education	279,410,000	7,117,000
Vocational Education	27,250,000	899,000
Adult Education	40,000,000	1,312,000
Technology Literacy	250,000,000	4,620,000

NORTH DAKOTA

Lost \$11,615,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	North Dakota cut
Adult Training	\$97,000,000	\$242,000
Summer Youth	246,000,000	603,000
Dislocated Workers Assistance	193,000,000	129,000

Program	Nationwide cut	North Dakota cut
Child Care Block Grants	98,825,000	248,000
Social Services Block Grants	320,000,000	780,000
Head Start	381,028,000	694,000
Goals 2000	476,652,000	1,765,000
Title I ESEA LEA Grants	434,652,000	1,110,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	21,000
Special Education	279,410,000	709,000
Vocational Education	27,250,000	292,000
Adult Education	40,000,000	96,000
Technology Literacy	250,000,000	1,250,000

NEBRASKA

Lost \$15,886,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Nebraska cut
Adult Training	\$97,000,000	\$242,000
Summer Youth	246,000,000	603,000
Dislocated Workers Assistance	193,000,000	241,000
Child Care Block Grants	98,825,000	556,000
Social Services Block Grants	320,000,000	1,984,000
Head Start	381,028,000	1,596,000
Goals 2000	476,652,000	2,661,000
Title I ESEA LEA Grants	434,652,000	227,000
Safe and Drug-Free Schools	74,022,000	489,000
Teacher Training	610,000,000	3,287,000
Immigrant Education	50,000,000	135,000
Special Education	279,410,000	1,794,000
Vocational Education	27,250,000	199,000
Adult Education	40,000,000	201,000
Technology Literacy	250,000,000	1,250,000

NEW HAMPSHIRE

Lost \$12,811,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	New Hampshire cut
Adult Training	\$97,000,000	\$319,000
Summer Youth	246,000,000	780,000
Dislocated Workers Assistance	193,000,000	357,000
Child Care Block Grants	98,825,000	244,000
Social Services Block Grants	320,000,000	1,390,000
Head Start	381,028,000	661,000
Goals 2000	476,652,000	1,728,000
Title I ESEA LEA Grants	434,652,000	1,078,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	1,099,000
Vocational Education	27,250,000	260,000
Adult Education	40,000,000	144,000
Technology Literacy	250,000,000	1,250,000

NEW JERSEY

Lost \$82,570,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	New Jersey cut
Adult Training	\$97,000,000	\$2,958,000
Summer Youth	246,000,000	7,239,000
Dislocated Workers Assistance	193,000,000	6,419,000
Child Care Block Grants	98,825,000	1,806,000
Social Services Block Grants	320,000,000	9,661,000
Head Start	381,028,000	6,420,000
Goals 2000	476,652,000	11,131,000
Title I ESEA LEA Grants	434,652,000	4,375,000
Safe and Drug-Free Schools	74,022,000	1,699,000
Teacher Training	610,000,000	14,146,000
Immigrant Education	50,000,000	1,620,000
Special Education	279,410,000	7,248,000
Vocational Education	27,250,000	667,000
Adult Education	40,000,000	1,254,000
Technology Literacy	250,000,000	4,972,000

NEW MEXICO

Lost \$29,393,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	New Mexico cut
Adult Training	\$97,000,000	\$664,000
Summer Youth	246,000,000	1,677,000
Dislocated Workers Assistance	193,000,000	968,000
Child Care Block Grants	98,825,000	917,000
Social Services Block Grants	320,000,000	2,022,000
Head Start	381,028,000	3,100,000
Goals 2000	476,652,000	3,692,000
Title I ESEA LEA Grants	434,652,000	4,773,000
Safe and Drug-Free Schools	74,022,000	560,000
Teacher Training	610,000,000	4,705,000
Immigrant Education	50,000,000	542,000
Special Education	279,410,000	1,881,000
Vocational Education	27,250,000	240,000
Adult Education	40,000,000	251,000
Technology Literacy	250,000,000	2,102,000

NEVADA

Lost \$15,776,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Nevada cut
Adult Training	\$97,000,000	\$524,000
Summer Youth	246,000,000	1,299,000
Dislocated Workers Assistance	193,000,000	901,000
Child Care Block Grants	98,825,000	386,000
Social Services Block Grants	320,000,000	1,781,000
Head Start	381,028,000	1,136,000
Goals 2000	476,652,000	1,868,000
Title I ESEA LEA Grants	434,652,000	912,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	274,000
Special Education	279,410,000	1,453,000
Vocational Education	27,250,000	174,000
Adult Education	40,000,000	184,000
Technology Literacy	250,000,000	1,250,000

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NEW YORK

Lost \$296,641,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	New York cut
Adult Training	\$97,000,000	\$7,266,000
Summer Youth	246,000,000	17,248,000
Dislocated Workers Assistance	193,000,000	13,540,000
Child Care Block Grants	98,825,000	5,614,000
Social Services Block Grants	320,000,000	22,208,000
Head Start	381,028,000	25,119,000
Goals 2000	476,652,000	35,384,000
Title I ESEA LEA Grants	434,652,000	64,606,000
Safe and Drug-Free Schools	74,022,000	5,453,000
Teacher Training	610,000,000	45,295,000
Immigrant Education	50,000,000	8,571,000
Special Education	279,410,000	17,753,000
Vocational Education	27,250,000	789,000
Adult Education	40,000,000	3,083,000
Technology Literacy	250,000,000	21,711,000

OHIO

Lost \$141,467,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Ohio cut
Adult Training	\$97,000,000	\$3,368,000
Summer Youth	246,000,000	8,343,000
Dislocated Workers Assistance	193,000,000	3,974,000
Child Care Block Grants	98,825,000	3,591,000
Social Services Block Grants	320,000,000	13,570,000
Head Start	381,028,000	15,318,000
Goals 2000	476,652,000	19,845,000
Title I ESEA LEA Grants	434,652,000	17,933,000
Safe and Drug-Free Schools	74,022,000	3,034,000
Teacher Training	610,000,000	25,431,000
Immigrant Education	50,000,000	113,000
Special Education	279,410,000	11,545,000
Vocational Education	27,250,000	1,337,000
Adult Education	40,000,000	1,796,000
Technology Literacy	250,000,000	10,689,000

OKLAHOMA

Lost \$42,594,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Oklahoma cut
Adult Training	\$97,000,000	\$999,000
Summer Youth	246,000,000	2,448,000
Dislocated Workers Assistance	193,000,000	1,343,000
Child Care Block Grants	98,825,000	1,497,000
Social Services Block Grants	320,000,000	3,982,000
Head Start	381,028,000	4,459,000
Goals 2000	476,652,000	5,822,000
Title I ESEA LEA Grants	434,652,000	3,480,000
Safe and Drug-Free Schools	74,022,000	885,000
Teacher Training	610,000,000	7,459,000
Immigrant Education	50,000,000	106,000
Special Education	279,410,000	3,572,000
Vocational Education	27,250,000	458,000

Program	Nationwide cut	Oklahoma cut
Adult Education	40,000,000	535,000
Technology Literacy	250,000,000	2,970,000

OREGON

Lost \$34,857,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Oregon cut
Adult Training	\$97,000,000	\$1,007,000
Summer Youth	246,000,000	2,483,000
Dislocated Workers Assistance	193,000,000	1,245,000
Child Care Block Grants	98,825,000	991,000
Social Services Block Grants	320,000,000	3,772,000
Head Start	381,028,000	3,198,000
Goals 2000	476,652,000	5,313,000
Title I ESEA LEA Grants	434,652,000	1,956,000
Safe and Drug-Free Schools	74,022,000	781,000
Teacher Training	610,000,000	6,336,000
Immigrant Education	50,000,000	331,000
Special Education	279,410,000	3,163,000
Vocational Education	27,250,000	368,000
Adult Education	40,000,000	385,000
Technology Literacy	250,000,000	2,353,000

PENNSYLVANIA

Lost \$145,043,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Pennsylvania cut
Adult Training	\$97,000,000	\$4,389,000
Summer Youth	246,000,000	10,606,000
Dislocated Workers Assistance	193,000,000	7,553,000
Child Care Block Grants	98,825,000	3,283,000
Social Services Block Grants	320,000,000	14,731,000
Head Start	381,028,000	13,295,000
Goals 2000	476,652,000	20,259,000
Title I ESEA LEA Grants	434,652,000	14,825,000
Safe and Drug-Free Schools	74,022,000	3,095,000
Teacher Training	610,000,000	25,773,000
Immigrant Education	50,000,000	263,000
Special Education	279,410,000	11,109,000
Vocational Education	27,250,000	1,271,000
Adult Education	40,000,000	2,029,000
Technology Literacy	250,000,000	10,806,000

PUERTO RICO

Lost \$105,465,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Puerto Rico cut
Adult Training	\$97,000,000	\$4,253,000
Summer Youth	246,000,000	10,494,000
Dislocated Workers Assistance	193,000,000	4,820,000
Child Care Block Grants	98,825,000	2,635,000
Social Services Block Grants	320,000,000	1,655,000
Head Start	381,028,000	13,920,000
Goals 2000	476,652,000	12,632,000
Title I ESEA LEA Grants	434,652,000	23,103,000

Program	Nationwide cut	Puerto Rico cut
Safe and Drug-Free Schools	74,022,000	1,896,000
Teacher Training	610,000,000	16,067,000
Immigrant Education	50,000,000	207,000
Special Education	279,410,000	2,118,000
Vocational Education	27,250,000	589,000
Adult Education	40,000,000	1,003,000
Technology Literacy	250,000,000	8,995,000

RHODE ISLAND

Lost \$14,060,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Rhode Island cut
Adult Training	\$97,000,000	\$386,000
Summer Youth	246,000,000	931,000
Dislocated Workers Assistance	193,000,000	834,000
Child Care Block Grants	98,825,000	279,000
Social Services Block Grants	320,000,000	1,219,000
Head Start	381,028,000	1,151,000
Goals 2000	476,652,000	1,903,000
Title I ESEA LEA Grants	434,652,000	674,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	530,000
Special Education	279,410,000	946,000
Vocational Education	27,250,000	280,000
Adult Education	40,000,000	186,000
Technology Literacy	250,000,000	1,250,000

SOUTH CAROLINA

Lost \$45,625,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	South Carolina cut
Adult Training	\$97,000,000	\$1,292,000
Summer Youth	246,000,000	3,228,000
Dislocated Workers Assistance	193,000,000	1,858,000
Child Care Block Grants	98,825,000	1,822,000
Social Services Block Grants	320,000,000	4,478,000
Head Start	381,028,000	4,691,000
Goals 2000	476,652,000	6,264,000
Title I ESEA LEA Grants	434,652,000	4,096,000
Safe and Drug-Free Schools	74,022,000	964,000
Teacher Training	610,000,000	8,041,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	3,879,000
Vocational Education	27,250,000	525,000
Adult Education	40,000,000	713,000
Technology Literacy	250,000,000	3,260,000

SOUTH DAKOTA

Lost \$12,522,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	South Dakota cut
Adult Training	\$97,000,000	\$242,000
Summer Youth	246,000,000	603,000
Dislocated Workers Assistance	193,000,000	111,000

Program	Nationwide cut	South Dakota cut
Child Care Block Grants	98,825,000	340,000
Social Services Block Grants	320,000,000	881,000
Head Start	381,028,000	941,000
Goals 2000	476,652,000	1,836,000
Title I ESEA LEA Grants	434,652,000	1,200,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	803,000
Vocational Education	27,250,000	319,000
Adult Education	40,000,000	105,000
Technology Literacy	250,000,000	1,250,000

TENNESSEE

Lost \$59,091,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Tennessee cut
Adult Training	\$97,000,000	\$1,447,000
Summer Youth	246,000,000	3,514,000
Dislocated Workers Assistance	193,000,000	1,400,000
Child Care Block Grants	98,825,000	2,081,000
Social Services Block Grants	320,000,000	6,325,000
Head Start	381,028,000	7,179,000
Goals 2000	476,652,000	8,433,000
Title I ESEA LEA Grants	434,652,000	4,444,000
Safe and Drug-Free Schools	74,022,000	1,298,000
Teacher Training	610,000,000	10,870,000
Immigrant Education	50,000,000	125,000
Special Education	279,410,000	5,267,000
Vocational Education	27,250,000	668,000
Adult Education	40,000,000	1,050,000
Technology Literacy	250,000,000	4,346,000

TEXAS

Lost \$292,157,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Texas cut
Adult Training	\$97,000,000	\$7,584,000
Summer Youth	246,000,000	19,661,000
Dislocated Workers Assistance	193,000,000	11,439,000
Child Care Block Grants	98,825,000	8,605,000
Social Services Block Grants	320,000,000	22,463,000
Head Start	381,028,000	27,913,000
Goals 2000	476,652,000	38,182,000
Title I ESEA LEA Grants	434,652,000	46,369,000
Safe and Drug-Free Schools	74,022,000	5,627,000
Teacher Training	610,000,000	47,456,000
Immigrant Education	50,000,000	4,798,000
Special Education	279,410,000	21,020,000
Vocational Education	27,250,000	2,417,000
Adult Education	40,000,000	3,151,000
Technology Literacy	250,000,000	20,580,000

UTAH

Lost \$20,908,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Utah cut
Adult Training	\$97,000,000	\$262,000
Summer Youth	246,000,000	763,000
Dislocated Workers Assistance	193,000,000	348,000
Child Care Block Grants	98,825,000	928,000
Social Services Block Grants	320,000,000	2,332,000
Head Start	381,028,000	1,994,000
Goals 2000	476,652,000	3,429,000
Title I ESEA LEA Grants	434,652,000	515,000
Safe and Drug-Free Schools	74,022,000	527,000
Teacher Training	610,000,000	4,346,000
Immigrant Education	50,000,000	491,000
Special Education	279,410,000	2,705,000
Vocational Education	27,250,000	335,000
Adult Education	40,000,000	184,000
Technology Literacy	250,000,000	1,250,000

VIRGINIA

Lost \$61,371,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Virginia cut
Adult Training	\$97,000,000	\$1,606,000
Summer Youth	246,000,000	3,978,000
Dislocated Workers Assistance	193,000,000	2,117,000
Child Care Block Grants	98,825,000	1,834,000
Social Services Block Grants	320,000,000	8,008,000
Head Start	381,028,000	5,422,000
Goals 2000	476,652,000	8,705,000
Title I ESEA LEA Grants	434,652,000	3,971,000
Safe and Drug-Free Schools	74,022,000	1,363,000
Teacher Training	610,000,000	11,150,000
Immigrant Education	50,000,000	628,000
Special Education	279,410,000	6,503,000
Vocational Education	27,250,000	714,000
Adult Education	40,000,000	1,038,000
Technology Literacy	250,000,000	3,353,000

VIRGIN ISLANDS

Lost \$4,084,895 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Virgin Islands cut
Adult Training	\$97,000,000	\$63,000
Summer Youth	246,000,000	129,000
Dislocated Workers Assistance	193,000,000	101,000
Child Care Block Grants	98,825,000	155
Social Services Block Grants	320,000,000	55
Head Start	381,028,000	685
Goals 2000	476,652,000	511,000
Title I ESEA LEA Grants	434,652,000	787,000
Safe and Drug-Free Schools	74,022,000	244,000
Teacher Training	610,000,000	1,005,000
Immigrant Education	50,000,000	98,000
Special Education	279,410,000	545,000
Vocational Education	27,250,000	16,000
Adult Education	40,000,000	26,000
Technology Literacy	250,000,000	513,000

VERMONT

Lost \$10,819,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Vermont cut
Adult Training	\$97,000,000	\$242,000
Summer Youth	246,000,000	603,000
Dislocated Workers Assistance	193,000,000	165,000
Child Care Block Grants	98,825,000	168,000
Social Services Block Grants	320,000,000	709,000
Head Start	381,028,000	535,000
Goals 2000	476,652,000	1,717,000
Title I ESEA LEA Grants	434,652,000	1,023,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	9,000
Special Education	279,410,000	591,000
Vocational Education	27,250,000	230,000
Adult Education	40,000,000	76,000
Technology Literacy	250,000,000	1,250,000

WASHINGTON

Lost \$59,772,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Washington cut
Adult Training	\$97,000,000	\$1,928,000
Summer Youth	246,000,000	4,844,000
Dislocated Workers Assistance	193,000,000	3,554,000
Child Care Block Grants	98,825,000	1,588,000
Social Services Block Grants	320,000,000	6,531,000
Head Start	381,028,000	5,932,000
Goals 2000	476,652,000	8,492,000
Title I ESEA LEA Grants	434,652,000	2,442,000
Safe and Drug-Free Schools	74,022,000	1,252,000
Teacher Training	610,000,000	10,355,000
Immigrant Education	50,000,000	962,000
Special Education	279,410,000	5,345,000
Vocational Education	27,250,000	569,000
Adult Education	40,000,000	591,000
Technology Literacy	250,000,000	3,503,000

WEST VIRGINIA

Lost \$29,759,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	West Virginia cut
Adult Training	\$97,000,000	\$1,006,000
Summer Youth	246,000,000	2,473,000
Dislocated Workers Assistance	193,000,000	1,886,000
Child Care Block Grants	98,825,000	760,000
Social Services Block Grants	320,000,000	2,227,000
Head Start	381,028,000	2,890,000
Goals 2000	476,652,000	3,830,000
Title I ESEA LEA Grants	434,652,000	3,994,000
Safe and Drug-Free Schools	74,022,000	586,000
Teacher Training	610,000,000	4,955,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	1,727,000
Vocational Education	27,250,000	269,000

Program	Nationwide cut	West Virginia cut
Adult Education	40,000,000	401,000
Technology Literacy	250,000,000	2,489,000

WISCONSIN

Lost \$55,037,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Wisconsin cut
Adult Training	\$97,000,000	\$1,087,000
Summer Youth	246,000,000	2,693,000
Dislocated Workers Assistance	193,000,000	1,381,000
Child Care Block Grants	98,825,000	1,527,000
Social Services Block Grants	320,000,000	6,212,000
Head Start	381,028,000	5,464,000
Goals 2000	476,652,000	8,806,000
Title I ESEA LEA Grants	434,652,000	3,195,000
Safe and Drug-Free Schools	74,022,000	1,341,000
Teacher Training	610,000,000	11,288,000
Immigrant Education	50,000,000	118,000
Special Education	279,410,000	5,205,000
Vocational Education	27,250,000	613,000
Adult Education	40,000,000	711,000
Technology Literacy	250,000,000	4,372,000

WYOMING

Lost \$10,611,000 in the Labor-HHS-Ed Bill, compared to the President's FY 1997 Request. Selected cuts include:

Program	Nationwide cut	Wyoming cut
Adult Training	\$97,000,000	\$242,000
Summer Youth	246,000,000	603,000
Dislocated Workers Assistance	193,000,000	142,000
Child Care Block Grants	98,825,000	176,000
Social Services Block Grants	320,000,000	582,000
Head Start	381,028,000	517,000
Goals 2000	476,652,000	1,716,000
Title I ESEA LEA Grants	434,652,000	1,062,000
Safe and Drug-Free Schools	74,022,000	362,000
Teacher Training	610,000,000	3,015,000
Immigrant Education	50,000,000	0
Special Education	279,410,000	543,000
Vocational Education	27,250,000	211,000
Adult Education	40,000,000	55,000
Technology Literacy	250,000,000	1,250,000

DAVID OBEY.
LOUIS STOKES.
STENY H. HOYER.
NANCY PELOSI.
NITA LOWEY.

DISSENTING VIEWS OF HON. STENY HOYER

During subcommittee debate on the Labor-HHS-Education bill, I offered an amendment to add \$2.6 billion to Head Start, elementary and secondary education. As a strong supporter of a balanced budget, I believe it is possible to make adequate investments in education, job training and health while still acting in a fiscally responsible manner and putting our budgetary house in order. It is because of these beliefs that I voted in favor of the Coalition budget, voted against the Republican budget resolution, and voted against this bill.

Education, job training, and social services such as child care are critical investments in the future economic strength of this nation. Never before have employment potential, job opportunities and earnings been so dependent upon mastery of sophisticated skills. While record numbers of children will enter public schools over the next six years, the Republican budget freezes education spending through 2002. This will result in a 17% reduction in the real buying power of the federal education dollar, as enrollment rises by more than 6 percent. The bill approved by the Committee goes even further than the Republican budget resolution, and cuts federal education funds by more than \$400 million.

The American public understands the critical link between education and economic strength. 85% of Americans polled who support balancing the budget do not want to cut education to do so. The Coalition budget recognizes this, and provides \$5 billion more for education, training and social services than the Republican budget resolution. Over the six-year period, the Coalition investment in education and job training exceeds Republican funding levels by \$45.5 billion while achieving a budget surplus by 2002.

This bill eliminates Goals 2000 funding to states to support their school reform efforts, while the Coalition budget assumes full funding. This bill flat-funds Title I education for disadvantaged students and Summer Jobs, while the Coalition budget assumes continued growth to give these children and youth the education and job skills they need to become productive, contributing citizens.

In addition, the Republican budget assumes cuts in health programs which are rejected by the Coalition budget. The Coalition budget provides nearly \$9 billion more over six years than the Republican budget for important health programs such as the Healthy Start infant mortality initiative, which is eliminated in this bill. In the city of Baltimore, Healthy Start reduced the infant mortality rate by 30% in three years. It decreased the number of low birthweight babies born to participants by 62 percent. When Medicaid costs for hospital care for very low birthweight babies range from \$30,000 to \$200,000, investments in health programs such as Healthy Start pay for themselves many times over.

Failure to provide adequate funding for our discretionary investments in public education, job training and health is short sighted and dangerous. The Republican budget mortgages our future by insisting on tax cuts prior to achieving a balanced budget. Because the Coalition budget places its priority on investments and deficit reduction rather than tax cuts, it balances the budget a year sooner and incurs \$137 billion less debt than the Republican budget while providing nearly \$50 billion more for the education, job training, and health programs that build our economic strength and productive capacity for the twenty-first century.

STENY H. HOYER.

